

CHARITY REGISTRATION NUMBER: 274695
OSCR NUMBER: SC042974

The Society of St Pius X
Financial Statements
31 December 2019

BURGESS HODGSON LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

The Society of St Pius X
Financial Statements
Year ended 31 December 2019

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The Society of St Pius X

Trustees' Annual Report

Year ended 31 December 2019

The trustees present their report and the financial statements of the charity for the year ended 31 December 2019.

Reference and administrative details

Registered charity name	The Society of St Pius X
Charity registration number	274695
Principal office	St Georges House 125 Arthur Road London SW19 7DR

The trustees

The Right Reverend Bishop Bernard Fellay	(Resigned 25 April 2019)
Mr J Crosfield Vernor-Miles	
The Reverend Emeric Baudot	(Appointed 25 April 2019)
The Reverend Davide Pagliarani	(Appointed 25 April 2019)
The Reverend Pablo Suarez	(Resigned 25 April 2019)
The Reverend Robert Brucciani	
Mr W E Vernor-Miles	
The Reverend Christian Thouvenot	

Auditor

Burgess Hodgson LLP
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
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CT1 3DN

Bankers

Lloyds Bank plc
5 Bridge Street
Newbury
Berkshire
RG14 5BQ

Solicitors

Hunters
9 New Square
Lincoln's Inn
London
WC2A 3QN

The Society of St Pius X

Trustees' Annual Report *(continued)*

Year ended 31 December 2019

Structure, governance and management

The Society was founded by trust deed in 1977 and is governed by the Statutes of the Fraternity of St Pius X dated 1976. The Trustees of the Charity were granted a certificate of incorporation by the Charity Commissioners on the 31st October 1997, under the name The Trustees of the Society of St. Pius X. The Charity was assigned all assets and income arising from the St. Pius the Fifth Association (charity number 266857) and the Friends of the Society of St. Pius X (charity number 266856).

New trustees are appointed by the Board of Trustees through selection as vacancies arise. The trustees meet on a regular basis, and there are subgroups, who meet to consider the management and operation of the charity's objectives and funds. The trustees monitor the Charity's internal controls and potential areas of risk to its assets and reserves. Where potential risks are identified appropriate safeguards are introduced.

Objectives and activities

The Charity was formed by Archbishop Marcel Lefebvre in 1977 to promote the traditional teachings of the Roman Catholic Church primarily in the United Kingdom by providing religious services conducted in accordance with the traditional teachings of the Roman Catholic faith for members of the Roman Catholic Church and also providing educational services.

The Charity has the following primary goals to achieve its objectives:

- the perfection and extension of the Catholic priesthood
- the education and assistance of priests outside the Society
- the formation of religious brothers, catechists and other auxiliaries - the education of children within its own schools
- the education of children and adults and the administration of the sacraments within its Mass Centres
- the care of elderly priests

We refer to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Achievements and performance

In Great Britain the Charity owns sixteen churches and chapels and nine residences to provide accommodation for priests carrying out the work of the Charity. Fifteen priests, three brothers and seven sisters work for the Charity in this country.

Priests from the Charity visit Scandinavia on a monthly basis to minister to the faithful, with Masses being celebrated in Oslo, Stockholm, Malmö and Aalborg. The Charity now owns a property in Sweden and has rented a property in Oslo, Norway.

St. Michael's School continues to offer a subsidised Catholic education for the children from 4 - 18 years who in many cases might not be able to afford the cost of a private education.

The School passed its most recent Ofsted inspection (May and October 2019) and has implemented a compliant Child Safeguarding system and Risk Management system. The school had 70 pupils at the end of 2019.

The Charity's regular retreats in Bristol, as well as summer camps and the annual Canterbury Pilgrimage are all subsidised allowing public participation in the work of the Charity.

The Charity supported the training of two seminarians in Ecône, Switzerland

The Society of St Pius X

Trustees' Annual Report *(continued)*

Year ended 31 December 2019

Financial review

The activities of the year generated an increase in funds of £2,530,646 (2018: £158,588 decrease). The movement in funds is after income of £2,988,689 (2018: £16,335) from legacies, £611,335 (2018: £776,775) from donations and £28,984 (2018: £24,346) of investment income.

The core activities of the charity have remained largely unchanged to that of the previous year.

The gross reserves at the year end were £14,967,161 (2018: £12,436,515). The majority of these comprised functional properties held for the work of the Charity. The Trustees also held cash of £223,517 (2018: £209,778) and the following investments:

Listed Investments £1,709,851 (2018: £726,492)
Cash or cash equivalents £1,905,086 (2018: £5,583)
Other Investments (Gold) £220,841 (2018: £194,425)

The trustees of the charity are of the opinion that sufficient reserves should be maintained to support all functional assets used by the charity, to support approximately two year's expenditure required to operate the school for the continuity of the pupils' education and to retain adequate funds to maintain the properties. In the current year, the charity operated at a surplus after the legacies received. These funds will be applied towards the primary goals in the future. The trustees regularly review the level of reserves and are of the opinion that the current levels are satisfactory to meet its needs effectively.

Risks

The Trustees have examined the major strategic, business and operational risks involved in the Charity's activities and are satisfied that appropriate reports and information have been produced to allow them to run the Charity's operations satisfactorily. The trustees consider it is appropriate to make a written record of the risks that they face and the action they take in response to these risks. They consider risks fall within two categories; normal and exceptional.

Normal risks considered are as follows:-

1. **LIQUID ASSETS** - The Trustees own liquid assets and are responsible for their safety. Apart from cash required for the day to day management of the Society cash is held by one or more major banks in accounts held in the names of the Trustees who have put in place arrangements for access to the accounts to be closely controlled. The trustees also review the safety of their banks from time to time.
2. **FINANCIAL ASSETS** - The Trustees own Investments and Bonds. These are in the custody of financial institutions chosen by the trustees who review the stability and safety of the Institutions concerned. The trustees receive advice from qualified financial advisers on the quality of the investments they hold.
4. **PROPERTY** - The Trustees own a large number of properties mainly used for the work of the Charity including very large old buildings such as Churches which are regularly visited by the General Public. The trustees recognise that there are risks involved in owning buildings open to the public and have arranged insurance to cover the risks involved including liability to the public.
5. **MOTOR VEHICLES** - The Trustees own motor vehicles driven by persons carrying out the work of the Society. They recognise that motor vehicles create risk and have in place insurance arrangements to comply with the law and cover all foreseeable risks.

The Society of St Pius X
Trustees' Annual Report *(continued)*
Year ended 31 December 2019

Exceptional risks considered are as follows:-

1. The Trustees own and operate a School which has approximately 70 pupils. Nearly all are Male but there are 21 Female pupils. Age range is between 5 and 17. About 22% of the pupils (all male) live at the school during term time.
2. The Trustees recognise that operating a School involves safeguarding issues and have appointed one of the trustees to be the Safeguarding Trustee charged with oversight and supervision of the Trustees safeguarding policies and procedures and investigation of any safeguarding incidents that may arise. The Trustees take a close interest in all aspects of management of the school which is visited regularly by Father Robert Brucciani the District Superior.
3. The School is subject to supervision by the Local Authority and to regular inspection visits by OFSTED. The trustees are pleased that the latest Inspection by OFSTED in May 2019 was followed by the issue of favourable report ("Good" in all areas except Personal Development, Behaviour and Welfare which was "Outstanding").

Plans for future periods

- (1) Ongoing property maintenance: -

The Charity expects to spend £200,000 on School renovations and chapel repairs.

- (2) The Charity plans to continue its restructuring of the school to ensure legal compliance, academic success and financial viability.

- (3) At the year end, the Charity was in the process of selling the Brighton property. Post year end, the Highclere property and the Middlemarsh property were put up for sale and the Charity is reviewing the ownership of other property assets to realign resources to the changes in our activities.

- (4) The Charity seeks to develop its online capability to deliver Catholic education by providing more homeschool resources and even to commence online Catechism classes.

- (5) The Charity has commenced livestreaming of religious ceremonies.

Trustees' responsibilities statement

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

The law applicable to charities in England, Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

The Society of St Pius X
Trustees' Annual Report *(continued)*
Year ended 31 December 2019

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate 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 financial statements comply with the Charities Act 2011, Charities and Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 23/1/2020 and signed on behalf of the board of trustees by:



Mr J Crosfield Vernor-Miles
Trustee



The Reverend Robert Brucciani
Trustee

The Society of St Pius X

Independent Auditor's Report to the Members of The Society of St Pius X

Year ended 31 December 2019

Opinion

We have audited the financial statements of The Society of St Pius X (the 'charity') for the year ended 31 December 2019 which comprise the statement of financial activities, statement of financial position, statement of cash flows 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 FRS 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 December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have 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.

The Society of St Pius X

Independent Auditor's Report to the Members of The Society of St Pius X (continued)

Year ended 31 December 2019

Other information

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- 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 trustees

As explained more fully in the trustees' responsibilities 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.

The Society of St Pius X

Independent Auditor's Report to the Members of The Society of St Pius X

(continued)

Year ended 31 December 2019

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Laughton FCCA (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson LLP
Chartered accountants & statutory auditor

Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

24th July 2020

The Society of St Pius X
Statement of Financial Activities
Year ended 31 December 2019

		2019	2018	
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	3,600,024	3,600,024	793,110
Charitable activities	5	22,426	22,426	18,760
Other trading activities	6	394,557	394,557	555,620
Investment income	7	35,716	35,716	24,379
Total income		<u>4,052,723</u>	<u>4,052,723</u>	<u>1,391,869</u>
Expenditure				
Expenditure on charitable activities	8,9	1,650,687	1,650,687	1,546,226
Other expenditure	11	(2,979)	(2,979)	1,135
Total expenditure		<u>1,647,708</u>	<u>1,647,708</u>	<u>1,547,361</u>
Net gains/(losses) on investments	12	(125,631)	(125,631)	3,096
Net income/(expenditure) and net movement in funds		<u>2,530,646</u>	<u>2,530,646</u>	<u>(158,588)</u>
Reconciliation of funds				
Total funds brought forward		12,436,515	12,436,515	12,595,103
Total funds carried forward		<u>14,967,161</u>	<u>14,967,161</u>	<u>12,436,515</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 21 form part of these financial statements.

The Society of St Pius X
Statement of Financial Position
31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	16	10,895,439	10,931,580
Investments	17	3,835,778	926,500
		<u>14,731,217</u>	<u>11,858,080</u>
Current assets			
Stocks	18	15,000	15,000
Debtors	19	267,860	419,224
Cash at bank and in hand		223,517	209,778
		<u>506,377</u>	<u>644,002</u>
Creditors: amounts falling due within one year	20	270,433	65,567
Net current assets		<u>235,944</u>	<u>578,435</u>
Total assets less current liabilities		<u>14,967,161</u>	<u>12,436,515</u>
Net assets		<u>14,967,161</u>	<u>12,436,515</u>
Funds of the charity			
Unrestricted funds		14,967,161	12,436,515
Total charity funds	22	<u>14,967,161</u>	<u>12,436,515</u>

These financial statements were approved by the board of trustees and authorised for issue on 23/1/2020, and are signed on behalf of the board by:


Mr J Crosfield Vernor-Miles
Trustee


The Reverend Robert Brucciani
Trustee

The notes on pages 12 to 21 form part of these financial statements.

The Society of St Pius X

Statement of Cash Flows

Year ended 31 December 2019

	2019 £	2018 £
Cash flows from operating activities		
Net income/(expenditure)	2,530,646	(158,588)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	49,755	43,464
Impairment of tangible fixed assets	25,000	—
Net gains/(losses) on investments	(125,631)	3,096
Other interest receivable and similar income	(35,716)	(24,379)
Interest payable and similar charges	10,612	10,399
(Gains)/loss on disposal of tangible fixed assets	(2,979)	1,135
Accrued income	(5,401)	(10,696)
<i>Changes in:</i>		
Trade and other debtors	151,364	(1,510)
Trade and other creditors	210,267	(84,690)
Cash generated from operations	2,807,917	(221,769)
Interest paid	(10,612)	(10,399)
Interest received	35,716	24,379
Net cash from/(used in) operating activities	2,833,021	(207,789)
Cash flows from investing activities		
Purchase of tangible assets	(46,785)	(47,809)
Proceeds from sale of tangible assets	11,150	1,150
Purchases of other investments	(2,783,186)	—
Proceeds from sale of other investments	(461)	240,379
Net cash (used in)/from investing activities	(2,819,282)	193,720
Net increase/(decrease) in cash and cash equivalents	13,739	(14,069)
Cash and cash equivalents at beginning of year	209,778	223,847
Cash and cash equivalents at end of year	223,517	209,778

The notes on pages 12 to 21 form part of these financial statements.

The Society of St Pius X
Notes to the Financial Statements
Year ended 31 December 2019

1. General information

The charity is a public benefit entity and a registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is St George's House, 125 Arthur Road, Wimbledon Park, London.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Gifts in kind

Gifts in kind are valued at market value and included in the accounts when received.

Tax recoverable

Tax recoverable is included in the accounts using the accruals concept based on amounts calculated as due at the year end.

Going concern

The charity is currently assessing the impact of Covid-19 on the financial performance during the 2020 financial year. Whilst the impact is not yet clear the charity believes that Covid-19 will have a negative impact on performance for the year. The charity expects to make appropriate adjustments to financial and operational plans for the 2020 financial year and as such the current accounts continue to be prepared on a going concern basis.

Legacies

Legacies are included on a cash received basis, or when the charity is aware of the entitlement and the value of the legacy is determined.

Donations

Donations are included on a cash received basis.

Deeds of covenants

Deeds of covenants are included on a cash received basis except where deposited covenants have been received and these are carried forward to the period to which they relate.

The Society of St Pius X

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

Liabilities

Liabilities are included when incurred on an accruals basis.

Resources expended and the basis of allocation of costs

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

Charitable expenditure comprises those costs incurred by the charity in the delivery of the objects of the charity. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy and audit fees, legal advice and costs linked to the strategic management of the charity and compliance with constitutional and statutory requirements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Society of St Pius X

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 25% straight line
Motor vehicles	- 25% reducing balance
Freehold property	- 2% straight line

The freehold property has a depreciation policy of 50 years, however the residual value of the property is not expected to fall below the value stated in the financial statements as they are regularly considered for possible impairment and the existing use. On the basis of regular maintenance and the expectation above, freehold properties have not been depreciated.

The Society of St Pius X

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price. Cost includes all costs of purchase in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Trustees by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Donations				
Donations - UK	587,323	587,323	766,060	766,060
Donations - Scandinavia	24,012	24,012	10,715	10,715

The Society of St Pius X

Notes to the Financial Statements (continued)

Year ended 31 December 2019

4. Donations and legacies (continued)

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Legacies				
Legacies	2,988,689	2,988,689	16,335	16,335
	<u>3,600,024</u>	<u>3,600,024</u>	<u>793,110</u>	<u>793,110</u>

During the year, the charity received a material legacy from an estate in Sweden. This was material and of exceptional size to the charity, totalling 15,000,000SEK (£1,209,287). The Charity has had a good year in regards to legacies and expects this to continue into 2020.

5. Charitable activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Fund raising activities	<u>22,426</u>	<u>22,426</u>	<u>18,760</u>	<u>18,760</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Rent received	73,529	73,529	58,802	58,802
School fees	<u>321,028</u>	<u>321,028</u>	<u>496,818</u>	<u>496,818</u>
	<u>394,557</u>	<u>394,557</u>	<u>555,620</u>	<u>555,620</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Other interest receivable	6,732	6,732	33	33
Investment income	<u>28,984</u>	<u>28,984</u>	<u>24,346</u>	<u>24,346</u>
	<u>35,716</u>	<u>35,716</u>	<u>24,379</u>	<u>24,379</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
The teachings of the Roman Catholic Faith	1,006,162	1,006,162	582,494	582,494
Educational services	489,876	489,876	718,817	718,817
Donations in support of the objectives	—	—	2,631	2,631
Support costs	<u>154,649</u>	<u>154,649</u>	<u>242,284</u>	<u>242,284</u>
	<u>1,650,687</u>	<u>1,650,687</u>	<u>1,546,226</u>	<u>1,546,226</u>

The Society of St Pius X

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2019 £	Total fund 2018 £
The teachings of the Roman Catholic Faith	1,006,162	83,891	1,090,053	662,098
Educational services	489,876	46,637	536,513	789,671
Donations in support of the objectives	—	—	—	2,631
Governance costs	—	24,121	24,121	91,826
	<u>1,496,038</u>	<u>154,649</u>	<u>1,650,687</u>	<u>1,546,226</u>

Within donation expenditure, is an annual contribution that the Charity makes to the General House. The contribution each year is calculated at 5% of the donation income excluding any funds raised for designated purposes.

10. Analysis of support costs

	Educational services £	Governance costs £	Total 2019 £	Total 2018 £
Premises	5,002	—	5,002	6,084
General office	2,292	—	2,292	4,696
Governance costs	—	24,121	24,121	91,826
Salaries and wages	83,891	—	83,891	79,604
Motor vehicle expenses	3,844	—	3,844	3,543
Travel and subsistence	513	—	513	639
Repairs and Maintenance	16,602	—	16,602	46,618
Telephone	1,104	—	1,104	984
Printing, postage and stationery	3,427	—	3,427	4,047
Insurance	5,597	—	5,597	4,622
Sundry expenses	772	—	772	1,001
Light and heat	7,484	—	7,484	8,018
	<u>130,528</u>	<u>24,121</u>	<u>154,649</u>	<u>251,682</u>

11. Other expenditure

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Gains/Losses on disposal of tangible fixed assets for charity's own use	(2,979)	(2,979)	1,135	1,135

12. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Gains/(losses) on other investment assets	125,631	125,631	(3,096)	(3,096)

The Society of St Pius X

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible fixed assets	49,755	43,464
(Gains)/loss on disposal of tangible fixed assets	(2,979)	1,135
Fees payable for the audit of the financial statements	13,509	12,974

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	471,070	464,367
Social security costs	22,505	25,311
Employer contributions to pension plans	32,909	34,384
	526,484	524,062

The average head count of employees during the year was 24 (2018: 26).

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

15. Trustee remuneration and expenses

No remuneration, benefits or expenses were paid to the Trustees of the Charity in the current or previous year. All the Trustees with the exception of Mr J C Vernor-Miles and Mr W E Vernor-Miles devote their entire lives to the work of the Society in the United Kingdom or elsewhere and are wholly dependent on the Society for accommodation, food and clothing. They do not receive any financial remuneration.

During the period the charity made payments for services to Hunters solicitors of £46,755 (2018: £51,840), a firm in which Mr W E Vernor-Miles is a partner.

The Society of St Pius X

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

16. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2019	10,838,559	333,124	152,556	11,324,239
Additions	—	2,049	44,736	46,785
Disposals	—	—	(31,194)	(31,194)
At 31 December 2019	10,838,559	335,173	166,098	11,339,830
Depreciation				
At 1 January 2019	—	298,798	93,861	392,659
Charge for the year	—	23,898	25,857	49,755
Disposals	—	—	(23,023)	(23,023)
Impairment losses	25,000	—	—	25,000
At 31 December 2019	25,000	322,696	96,695	444,391
Carrying amount				
At 31 December 2019	10,813,559	12,477	69,403	10,895,439
At 31 December 2018	10,838,559	34,326	58,695	10,931,580

The charity's freehold properties include churches and substantial school buildings. It is the Trustees' opinion that the market values would be in excess of the book value, although the cost involved to determine the actual market values are not considered effective use of the Charity's resources. This position will be reviewed on a regular basis.

During the year, the Charity put one of their freehold properties on the market for sale. As a result, this triggered an impairment review of the property and has resulted in the property being impaired by £25,000. Therefore, the property is held in the financial statements at a value which reflects its advertised for sale price.

17. Investments

	Cash or cash equivalents £	Listed investments £	Other investments £	Total £
Cost or valuation				
At 1 January 2019	5,583	726,492	194,425	926,500
Additions	1,899,503	883,683	—	2,783,186
Fair value movements	—	99,676	26,416	126,092
At 31 December 2019	1,905,086	1,709,851	220,841	3,835,778
Impairment				
At 1 January 2019 and 31 December 2019	—	—	—	—
Carrying amount				
At 31 December 2019	1,905,086	1,709,851	220,841	3,835,778
At 31 December 2018	5,583	726,492	194,425	926,500

All investments shown above are held at valuation.

The Society of St Pius X

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

Concentration of investments

The following investments amounted to more than 5% of the total asset investments of the Charity.

	2019 £	2019 %	2018 £	2018 %
Tesco 6.15%	283,028	16.6%	84,296	11.6%
Tesco 5%	109,950	6.4%	112,838	15.5%

Financial assets held at fair value

Listed investments

The fair value of the listed investments at the 31 December 2019 was £1,709,851 (2018: £726,492).

The investments held are all readily marketable and have been valued by reference to the mid-market price provided by the fund managers.

Within listed investments, £521,572 relates to Fixed Interest Investments and £1,188,1279 relates to Equity Investments.

Other investments relate to 6 gold bullions that are held by the charity.

18. Stocks

	2019 £	2018 £
Books	15,000	15,000

19. Debtors

	2019 £	2018 £
Prepayments and accrued income	61,651	66,832
Other debtors	206,209	352,392
	<u>267,860</u>	<u>419,224</u>

20. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	15,982	21,383
Other creditors	254,451	44,184
	<u>270,433</u>	<u>65,567</u>

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £32,909 (2018: £34,384).

The Society of St Pius X

Notes to the Financial Statements (continued)

Year ended 31 December 2019

22. Analysis of charitable funds

Unrestricted funds

	At 1 January 2019 £	Income £	Expenditure £	Gains and losses £	At 31 December 2019 £
General funds	<u>12,436,515</u>	<u>4,052,723</u>	<u>(1,647,708)</u>	<u>125,631</u>	<u>14,967,161</u>

	At 1 January 2018 £	Income £	Expenditure £	Gains and losses £	At 31 December 2018 £
General funds	<u>12,595,103</u>	<u>1,391,869</u>	<u>(1,547,361)</u>	<u>(3,096)</u>	<u>12,436,515</u>

23. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	10,895,439	10,895,439
Investments	3,835,778	3,835,778
Current assets	506,377	506,377
Creditors less than 1 year	(270,433)	(270,433)
Net assets	<u>14,967,161</u>	<u>14,967,161</u>

	Unrestricted Funds £	Total Funds 2018 £
Tangible fixed assets	10,931,580	10,931,580
Investments	926,500	926,500
Current assets	644,002	644,002
Creditors less than 1 year	(65,567)	(65,567)
Net assets	<u>12,436,515</u>	<u>12,436,515</u>

24. Analysis of changes in net debt

	At 1 Jan 2019 £	Cash flows £	At 31 Dec 2019 £
Cash at bank and in hand	<u>209,778</u>	<u>13,739</u>	<u>223,517</u>

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Not later than 1 year	<u>1,013</u>	<u>—</u>

The Society of St Pius X
Management Information
Year ended 31 December 2019

The following pages do not form part of the financial statements.

The Society of St Pius X
Detailed Statement of Financial Activities
Year ended 31 December 2019

	2019 £	2018 £
Income and endowments		
Donations and legacies		
Donations - UK	587,323	766,060
Donations - Scandinavia	24,012	10,715
Legacies	2,988,689	16,335
	<u>3,600,024</u>	<u>793,110</u>
 Charitable activities		
Fund raising activities	<u>22,426</u>	<u>18,760</u>
 Other trading activities		
Rent received	73,529	58,802
School fees	321,028	496,818
	<u>394,557</u>	<u>555,620</u>
 Investment income		
Other interest receivable	6,732	33
Investment income	28,984	24,346
	<u>35,716</u>	<u>24,379</u>
 Total income	<u><u>4,052,723</u></u>	<u><u>1,391,869</u></u>

The Society of St Pius X

Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2019

	2019 £	2018 £
Expenditure		
Expenditure on charitable activities		
Opening stock	15,000	15,000
Donations	222,834	25,590
Closing stock	15,000	15,000
Wages and salaries	471,070	464,367
Employer's NIC	22,505	25,311
Pension costs	32,909	34,384
Rent	73,378	83,113
Light and heat	94,208	102,981
Repairs and maintenance	160,277	211,720
Insurance	78,177	79,896
Other establishment	64,254	76,336
Motor vehicle expenses	61,864	60,546
Other motor/travel costs	25,051	26,303
Legal and professional fees	171,827	81,427
Telephone	10,202	10,228
Other office costs	40,094	38,930
Depreciation	49,755	43,464
Impairment	25,000	—
Other interest payable and similar charges	10,612	10,399
Centre costs	44,461	48,966
Bad debt provision	(34,442)	106,454
Sundry	26,651	15,811
	<u>1,650,687</u>	<u>1,546,226</u>
Other expenditure		
Gains/Losses on disposal of tangible fixed assets for charity's own use	(2,979)	1,135
	<u>1,647,708</u>	<u>1,547,361</u>
Total expenditure		
	<u>1,647,708</u>	<u>1,547,361</u>
Net gains/(losses) on investments		
Gains/(losses) on other investment assets	(125,631)	3,096
	<u>2,530,646</u>	<u>(158,588)</u>
Net income/(expenditure)		

The Society of St Pius X

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2019

	2019 £	2018 £
Expenditure on charitable activities		
The teachings of the Roman Catholic Faith		
<i>Activities undertaken directly</i>		
Direct - Donation	222,834	25,590
Direct - Salaries and wages	107,028	112,568
Direct - Rent, rates and room hire	48,368	52,692
Direct - Light and heat	56,789	62,893
Direct - Repairs and maintenance	110,449	72,609
Direct - Insurance	50,192	56,784
Direct - Laundry and cleaning	31,074	29,344
Direct - Motor vehicle expenses	42,643	42,830
Direct - Travel and subsistence	22,486	23,108
Direct - Legal and professional fees	155,520	—
Direct - Telephone	4,681	5,307
Direct - Printing, postage and stationery	22,961	18,695
Direct - Depreciation	49,755	43,464
Direct - Impairment	25,000	—
Direct - Centre costs	33,593	25,804
Direct - Sundry expenses	22,789	10,806
	<u>1,006,162</u>	<u>582,494</u>
Support costs		
Support - Salaries and wages	83,891	79,604
Educational services		
<i>Activities undertaken directly</i>		
School - Wages and salaries	280,151	272,195
School - Employer's NIC	22,505	25,311
School - Pension costs	32,909	34,384
School - Rent, rates and water	20,008	24,337
School - Light and heat	29,935	32,070
School - Repairs and maintenance	39,862	111,289
School - Insurance	22,388	18,490
School - Laundry and cleaning	26,544	37,594
School - Motor vehicle expenses	15,377	14,173
School - Travel and subsistence	2,052	2,556
School - Legal and professional fees	2,798	—
School - Telephone	4,417	3,937
School - Printing, postage and stationery	13,706	16,188
	<u>512,652</u>	<u>592,524</u>
Carried forward	512,652	592,524

The Society of St Pius X

Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2019

	2019 £	2018 £
Brought forward	512,652	592,524
School - Centre costs	8,576	18,466
School - Bad debts	(34,442)	103,823
School - Sundry expenses	3,090	4,004
	<u>489,876</u>	<u>718,817</u>
Support costs		
Support School - Rent, rates and water	5,002	6,084
Support School - Light and heat	7,484	8,018
Support School - Repairs and maintenance	9,966	27,822
Support School - Insurance	5,597	4,622
Support School - Laundry and cleaning	6,636	9,398
Support School - Motor vehicle expenses	3,844	3,543
Support School - Travel and subsistence	513	639
Support School - Telephone	1,104	984
Support School - Printing, postage and stationery	3,427	4,047
Support school - Centre costs	2,292	4,696
Support school - Sundry expenses	772	1,001
	<u>46,637</u>	<u>70,854</u>
Catholic book sales		
Activities undertaken directly		
Direct Books - Opening stock	15,000	15,000
Direct Books - Closing stock	(15,000)	(15,000)
	<u>-</u>	<u>-</u>
Donations in support of the objectives		
Activities undertaken directly		
Other charitable donations	-	2,631
	<u>-</u>	<u>2,631</u>
Governance costs		
Governance costs - audit fees	13,509	12,974
Legal and professional fees	-	68,453
Bank charges	10,612	10,399
	<u>24,121</u>	<u>91,826</u>
Expenditure on charitable activities	<u>1,650,687</u>	<u>1,546,226</u>