

COMPANY REGISTRATION NUMBER: 4428897
CHARITY REGISTRATION NUMBER: 1094097

Lee Abbey Fellowship
Company Limited by Guarantee
Financial Statements
30 April 2020

Lee Abbey Fellowship
Company Limited by Guarantee
Financial Statements
Year ended 30 April 2020

	Pages
Trustees' annual report (incorporating the director's report)	1 to 8
Independent auditor's report to the members	9 to 12
Statement of financial activities (including income and expenditure account)	13
Statement of financial position	14
Statement of cash flows	15
Notes to the financial statements	16 to 26
The following pages do not form part of the financial statements	
Detailed statement of financial activities	28 to 29
Notes to the detailed statement of financial activities	30

Lee Abbey Fellowship
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 30 April 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 April 2020.

Objectives and activities

Charitable Objects

The charity's objects are the advancement of the Christian faith worldwide through the ministry of communities of Christians whose shared lives in the fellowship of the Holy Spirit communicate the love of God revealed in Jesus Christ.

These objects are fulfilled through promoting the renewal and growth of the Church through mission, evangelism teaching and training by means of a Christian Community. Lee Abbey Fellowship is concerned to serve the Church in many varied ways, including the running of conferences, retreats, holidays (which include the opportunity to receive teaching and ministry) and youth camps, and the training of people to go back into churches with a fresh vision of all that life in Christ can mean. Community members also go out to lead Church weekends and missions. We also seek to reach children and young people both church and un-church through the operation of The Beacon Youth and Outdoor Activity Centre and the summer Camps.

Throughout the year the way in which the objects of the charity are being fulfilled is monitored by the Warden and the senior management team overseen by the Trustees to whom they regularly report. The participation and prayer support of the Lee Abbey Friends continues to be a powerful tool for meeting these objectives.

Achievements and performance

In carrying out its charitable objects over the last year, the Lee Abbey Fellowship has continued to offer a wide variety of conferences, retreats, courses and Christian holidays, in the main House, Beacon and at the Camp.

In our ministry we have been privileged to continue to see God working week by week in the lives of our guests, both those with a long-standing relationship with Him and those who are seeking Him for the first time. Alongside this, chiefly through our Devon Mission Chaplain we nurture links with churches in the south west, especially the Diocese of Exeter. With the Diocese and the Lee Abbey Small Mission Community Board, the Missioner has developing a plan for a Small Mission Community (SMC) based in a downtown area of Plymouth.

We have continued to nurture the Christian discipleship of community members through spiritual formation groups, mentoring, training and an annual retreat; and through appropriate opportunities to show God's welcome by serving guests on host teams. We encourage community members to gain a sense of vocation and live out the Lee Abbey Rule of Life as they return home - whether in the UK or overseas.

We have been well served by the skills and commitment of our Estate and Buildings Director who retired in March 2020 after 8 years, during which he oversaw the major refurbishment project of the main house, a hydro-electric project and developed our conservation offering through designation as a Site of Special Scientific Interest. In this final year he saw the successful, if delayed, rebuilding of our decaying, 4-person self-catering unit known as 'The Cabin'. It has been great to see the Cabin quickly booked up and enjoyed by our guests.

For much of the year the resident community lived through nine months of vacancy between Wardens. Revd Simon Holland left in July 2019 and the new Warden, Revd Gordon Crowther, arrived on 16th March 2020. Revd Barbara Carpenter ably steered the community through this period that included many challenges including the tragic sudden death of a trustee, Revd Simon Farrar, in the

Lee Abbey Fellowship

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2020

Chapel, and the disappearance of a guest who left the estate on foot and was later found in the sea two weeks later. This latter was reported as a major incident to the Charity Commission. Despite these and other events that were well handled by the community leader with support from trustees the program was delivered, guests and community were blessed and we were on course for a reasonable surplus.

However, when the new Warden arrived in March, he found many leaders exhausted physically and mentally from their exertions. It so happened that the day he and his wife arrived from South Africa was the day the Covid 19 Lockdown was announced and he was just in time to witness the request that newly arrived-guests go home. (See below under financial review and plans for future periods.)

That same week it became necessary to ask around half of our active community workforce (mainly international citizens) to cut short their contracts and return home while they could. This was extremely traumatic for all involved. The remaining community did their best to maintain a rhythm of prayer, fulfil the aims of the charity by building community life and discipleship, developing online ministry and preparing to re-open to guests when that became possible. They opened the tea cottage and self-catering (including two new temporary units) and finally opened to a restricted number of guests in October 2020 before the second lockdown in November.

Going Concern

It should be noted that, at the date of preparation of the financial statements, the instability factor relating to the health emergency due to the spread of Coronavirus, which in the first weeks of 2020 initially affected China and subsequently other countries, should not be underestimated. There have been no adjusting events identified whilst preparing the accounts

The charity has reviewed the scenario and evaluated the management actions to mitigate the impact to their operations. The charity has adopted initiatives to safeguard the health of its people and actions aimed at maintaining operational activity. The repercussions on any adjustments to the financial statements are currently not determinable in light of the volatility of the scenario and the continuous evolution of the market, these will be reflected in the 2021 results.

Public Benefit

The Trustees consider that the ministry of the Fellowship to the guests of all ages provides clear and significant public benefit. The responses of guests (including our regular guest questionnaires) continue to testify to the spiritual benefit they have received in developing or discovering faith in Christ, in their spiritual growth, in being equipped to go back to communicate the love of God in Christ in their local communities and in receiving healing and pastoral care. In setting our policies on fees for guests we seek to ensure that, so far as possible, all those who desire to benefit from our mission who would otherwise not be able to afford the fees are able to come to Lee Abbey to meet with God. Because it is possible to come to Lee Abbey for short stays (e.g. a weekend or even 24 hours) and we offer conferences and retreats of different lengths, we believe that the fees are affordable by the great majority of people. But to cater for those who may not be able to afford the standard fees, we operate a bursary scheme and offer different types of accommodation including self-catering units at lower prices. We also provide without any charge special events for local churches at Lee Abbey, which enable people from the surrounding areas to come and benefit from the Christian ministry of the Fellowship through teaching worship and prayer without any payment. We also seek to reach out to those who are unable to come to Lee Abbey through mission teams.

The beneficiaries of our charity include members of the residential international Community as well as the guests. At the heart of the ministry of the Fellowship to the resident Community is an encouragement and equipping to grow in their Christian faith and to develop positive values, attitudes and skills, and a lifelong commitment to show the love of God in Christ by serving other people from

Lee Abbey Fellowship

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2020

any background or culture. This international element provides important opportunities for intellectual enrichment and deeper international understanding for Community members and guests alike. We also seek to equip our resident Community with skills that they are able to take back to benefit their home churches when they leave the Community. No fees are charged to members of our residential Community. The opportunity to benefit from time on Community is not subject to any financial restriction. This is particularly important to younger members of Community e.g. those on gap years before going to College, since (unlike many organisations) the Fellowship does not impose any requirement for them to raise any sponsorship to finance their time at Lee Abbey.

Financial review

It is extremely disappointing that, due to the hard work of the community, generosity of supporters and careful management of our new head of business, we were on track to deliver a significant surplus for the year, (even with almost zero legacy income) until Covid 19 caused the cancellation of the final six weeks (12%) of operations for the financial year. Although our accounts actually still show a small surplus, our cash position was significantly down (about 20%) by 30th April on the previous year.

From the end of March 2020, the Trustees initiated regular online Board meetings and Finance meetings (carefully minuted) to monitor the financial impact of the pandemic and cashflow.

Our strategy was to cut costs wherever possible, but to ensure that our community workforce was not so degraded that we could not function or plan for re-opening. We used the government furlough scheme wherever we could after taking legal advice as to who would be eligible. Through our marketing team, we communicated regularly with our supporters through newsletters, social media and regular online offerings to maintain a 'presence', bless our supporter base and encourage donations. The result was that at six months into the new financial year our cash position was considerably better than initially projected.

The second lockdown and the very reduced numbers of guests for the rest of the year mean that we will almost certainly dip further into the significant, but limited, reserves that have been wisely built up over previous years. Beyond that we are, and will be, working together to get to a place of greater financial stability as soon as possible.

There was a net inflow of unrestricted funds of £84,694 (2019: £117,736) and a net outflow of restricted funds of £44,351 (2019: net outflow £152,837).

The Trustees, recognising that the value of the land and buildings occupied by the charity at Lee Abbey, Lynton (via the House, the 280 acre estate and the other buildings including Community houses and other accommodation, farm buildings and the Beacon centre) represent a substantial proportion of the value of the assets of the charity have considered whether in all the circumstances this is the best use of the value represented by that land and buildings. The Trustees have unhesitatingly concluded that it would not be right to sell the land and buildings to realise that value. In reaching this conclusion they have had regard to the nature of the objects of the charity (which expressly refer to the advancement of the Christian faith through the ministry of communities), the establishment and development of a significant community on the present site over the last 70 years, the nature and reputation of the charity's retreat and conference ministry (carried out through the community in in furtherance of the charitable objects), the very high value placed on the location, beauty and tranquillity of the estate by our guests and their attachment to this particular location, the serious risk to the business and ministry which would be occasioned by a move, and the great difficulty of finding appropriate alternatives.

Funding Sources

Our principal funding source continues to be our fee income. The House fees were £1,318,041

Lee Abbey Fellowship

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2020

Financial review *(continued)*

representing 61.1% of our total incoming resources (2019 - £1,425,202 - 59.5%). The Beacon fees were £193,912, 9% of our total incoming resources (2019 - £178,899 - 7.5%).

Our total income from donations were £127,236 (2019 £102,522). We regard legacies as an important source of income but these can fluctuate significantly. Legacies totalled £8,420 representing 0.4% of our total incoming resources (2019 - £157,802 6.5%). We continue to be very grateful to our supporters (including those who are Lee Abbey Friends) for donations received.

The trustees also consider that value of its property continues to be the right use of its resources.

Reserves

Lee Abbey Fellowship seeks to maintain liquid unrestricted funds at the level of at least three months planned expenditure, which provides sufficient funds to cover unexpected costs and other expenditure, which arise from time to time. At the year-end there was 4.76 months of expenditure in cash and free reserves (2019 - 4.66). This is made up of 838,663 as cash (2019 - £910,934) and £nil held in Movement reserves (2019 - nil).

Investment Powers, Policy and Performance

Under the Memorandum and Articles of Association the charity has power to make any investment which the Trustees think fit. The Trustees make and hold investments using the general funds of the Fellowship.

Lee Abbey Fellowship

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2020

Plans for future periods

We continue to remain focused on our goal to renew and serve the Church through reaching out and offering a Gospel welcome to all our visitors; running Church weekends; the development of an international Christian community; offering a quality programme of Christian discipleship and education to all ages (with a particular emphasis on renewal of the heart and spiritual formation); ministry to young people; and resourcing and supporting a life-giving spiritual centre for Christian worship and ministry. We are building on recent successes to develop the ministry at the Beacon having made this more focused on Christian education rather than merely on activities.

One by-product of the Covid 19 pandemic, and the enforced closure of the site to guests, is that it has provided a much-needed opportunity to review and reflect upon the way in which community life works and how ministry and all its complex operations can be improved. Is there a better model that would feel more sustainable to those on the front line, especially leaders, and would be as good, or even better, for those who come as guests? Is it time to invest more in online and 'virtual' initiatives for the long-term as well as the short term? The process is not without its risks, but the trustees have encouraged the community to treat this period as a 'kairos' (opportunity) as well as a 'krisis'. Much depends on how quickly life can return to 'normal' following the pandemic. We aim to monitor the cash position closely so that the charity not only survives, but also thrives in the medium to long term. We will be attempting both to match guest income with regular costs and to develop our fundraising.

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 April 2020.

Lee Abbey Fellowship

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2020

Structure, governance and management

Appointment of Trustees

As set out in the Articles of Association, in addition to the power of the charity to appoint trustees in general meeting, the Board of Trustees have power to appoint an eligible person as a trustee to fill a vacancy or as an additional trustee providing that the prior agreement of the Holding Charity has been given. Any trustee so appointed by the Board will hold office only until the next Annual General Meeting.

Trustee induction and training

New Trustees will be encouraged to spend time with the chairman of the Board, who will guide them through the induction process which includes time with the Warden and other members of the senior management team.

Organisation

The Board of Trustees administers the charity and has a number of sub-committees covering business and finance, buildings and estate, and youth and children's ministry (including The Beacon youth and activity centre). The Trustees have delegated the day to day management of the operations of the charity to the Warden and the senior management team.

Grant Making Policy

The Trustees view our bursary scheme as important in ensuring that wherever possible all those who seek to benefit from our mission who would otherwise not be able to afford the fees are able to come to Lee Abbey to meet with God. In 2020 we gave bursaries amounting to £56,732 (2019 £63,945). Bursaries are considered following application to the Warden.

Governance and Internal Control

Careful consideration continued to be given to risk management. Risks are categorised according to potential severity and their likely incidence. The levels of risks are regularly reviewed and procedures to mitigate those risks are set in place. In addition to its continued oversight of health and safety matters, the Board also regularly monitors safeguarding policy and procedures (both for young people and for vulnerable adults) in all aspects of its charitable activities. The Board has instructed external auditors to assist it with such oversight and monitoring.

Lee Abbey Fellowship

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2020

Reference and administrative details

Registered charity name Lee Abbey Fellowship

Charity registration number 1094097

Company registration number 4428897

Principal office and registered office Lee Abbey
Lynton
Devon
EX35 6JJ

The trustees

Revd D C R Widdows	Chair
M Beedell	(Retired 9 November 2020)
Revd Dr G R Cappleman	
Revd S Farrar	(Deceased 8 September 2019)
Revd S Garner	
Revd J L C Hocking	
A C Male	
R Oates	
M Proctor	
M Scyner	(Appointed 18 December 2020)

Company secretary Magnus Proctor

Auditor Thomas Westcott
Chartered accountants & statutory auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Bankers National Westminster
41 High Street
Barnstaple
Devon
EX31 1BZ

Lloyds
17 Cross Street
Barnstaple
Devon

Solicitors Brewer, Harding & Rowe
1 The Square
Barnstaple
Devon
EX32 8LS

Lee Abbey Fellowship

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2020

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, 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).

Company law 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 charitable company and the incoming resources and application of resources, including the income and expenditure, 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 the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 Companies Act 2006. 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 4th March 2021 and signed on behalf of the board of trustees by:


David Widdows (Mar 3, 2021 14:46 GMT)

Revd D Widdows
Trustee



Magnus Proctor
Charity Secretary

Lee Abbey Fellowship

Company Limited by Guarantee

Independent Auditor's Report to the Members of Lee Abbey Fellowship

Year ended 30 April 2020

Opinion

We have audited the financial statements of Lee Abbey Fellowship (the 'charity') for the year ended 30 April 2020 which comprise the statement of financial activities (including income and expenditure account), 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 30 April 2020 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 Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

- the 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.

Lee Abbey Fellowship

Company Limited by Guarantee

Independent Auditor's Report to the Members of Lee Abbey Fellowship *(continued)*

Year ended 30 April 2020

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Lee Abbey Fellowship

Company Limited by Guarantee

Independent Auditor's Report to the Members of Lee Abbey Fellowship *(continued)*

Year ended 30 April 2020

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) 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.

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.

Lee Abbey Fellowship

Company Limited by Guarantee


Independent Auditor's Report to the Members of Lee Abbey Fellowship *(continued)*

Year ended 30 April 2020

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 charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Creswell BA FCS DChA

For and on behalf of;
Thomas Westcott
Chartered Accountants and Statutory Auditors
96 High Street
Ilfracombe
Devon
EX34 9NH

4 March 2021

Lee Abbey Fellowship
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 30 April 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	301,411	23,001	324,412	449,898
Charitable activities	6	1,738,043	—	1,738,043	1,845,502
Other trading activities	7	89,634	—	89,634	92,394
Investment income	8	3,509	—	3,509	2,755
Total income		<u>2,132,597</u>	<u>23,001</u>	<u>2,155,598</u>	<u>2,390,549</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	54,513	—	54,513	59,536
Expenditure on charitable activities	10,11	1,993,390	67,352	2,060,742	2,368,734
Other expenditure	14	—	—	—	(2,620)
Total expenditure		<u>2,047,903</u>	<u>67,352</u>	<u>2,115,255</u>	<u>2,425,650</u>
Net income/(expenditure) and net movement in funds		<u>84,694</u>	<u>(44,351)</u>	<u>40,343</u>	<u>(35,101)</u>
Reconciliation of funds					
Total funds brought forward		5,322,742	84,019	5,406,761	5,441,862
Total funds carried forward		<u>5,407,436</u>	<u>39,668</u>	<u>5,447,104</u>	<u>5,406,761</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 16 to 26 form part of these financial statements.

Lee Abbey Fellowship
Company Limited by Guarantee
Statement of Financial Position

30 April 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	18	4,539,063	4,659,589
Current assets			
Stocks	19	152,824	108,103
Debtors	20	65,327	90,164
Cash at bank and in hand		838,663	1,057,879
		<u>1,056,814</u>	<u>1,256,146</u>
Creditors: amounts falling due within one year	21	<u>148,773</u>	<u>508,974</u>
Net current assets		<u>908,041</u>	<u>747,172</u>
Total assets less current liabilities		<u>5,447,104</u>	<u>5,406,761</u>
Net assets		<u>5,447,104</u>	<u>5,406,761</u>
Funds of the charity			
Restricted funds		39,668	165,944
Unrestricted funds		<u>5,407,436</u>	<u>5,240,817</u>
Total charity funds	23	<u>5,447,104</u>	<u>5,406,761</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 4th March 2021 and are signed on behalf of the board by:

David Widdows
David Widdows (Mar 3, 2021 14:46 GMT)

Revd D Widdows
Trustee

The notes on pages 16 to 26 form part of these financial statements.

Lee Abbey Fellowship
Company Limited by Guarantee

Statement of Cash Flows

Year ended 30 April 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income/(expenditure)	40,343	(35,101)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	130,476	196,158
Other interest receivable and similar income	(3,509)	(2,755)
Gains on disposal of tangible fixed assets	–	(2,620)
Accrued (income)/expenses	(130,774)	105,300
<i>Changes in:</i>		
Stocks	(44,721)	1,844
Trade and other debtors	52,249	25,101
Trade and other creditors	(252,869)	(9,096)
Cash generated from operations	(208,805)	278,831
Interest received	3,509	2,755
Net cash (used in)/from operating activities	<u>(205,296)</u>	<u>281,586</u>
Cash flows from investing activities		
Purchase of tangible assets	(9,950)	(276,666)
Proceeds from sale of tangible assets	–	10,267
Net cash used in investing activities	<u>(9,950)</u>	<u>(266,399)</u>
Cash flows from financing activities		
Proceeds from loans from group undertakings	(3,970)	3,970
Net cash (used in)/from financing activities	<u>(3,970)</u>	<u>3,970</u>
Net (decrease)/increase in cash and cash equivalents	(219,216)	19,157
Cash and cash equivalents at beginning of year	1,057,879	1,038,722
Cash and cash equivalents at end of year	<u>838,663</u>	<u>1,057,879</u>

The notes on pages 16 to 26 form part of these financial statements.

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 30 April 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Lee Abbey, Lynton, Devon, EX35 6JJ.

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 Companies Act 2006.

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.

Going concern

There are no material uncertainties about the charity's ability to continue.

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.

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

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.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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.

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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:

Land and Buildings	- 20-50 years straight line
Fixtures and Fittings	- 4 years straight line
Motor Vehicles	- 4 years straight line

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.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity 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.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Lee Abbey Fellowship is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within 1 year after he or she ceases to be a member.

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	104,235	23,001	127,236
Lee Abbey Friends income	50,400	—	50,400
Bursary donations received	54,609	—	54,609
Charity concessions	83,747	—	83,747
Legacies			
Legacies	8,420	—	8,420
	<u>301,411</u>	<u>23,001</u>	<u>324,412</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	30,673	71,849	102,522
Lee Abbey Friends income	50,100	—	50,100
Bursary donations received	46,267	—	46,267
Charity concessions	93,207	—	93,207
Legacies			
Legacies	157,802	—	157,802
	<u>378,049</u>	<u>71,849</u>	<u>449,898</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
House and sundry fees	1,318,041	1,318,041	1,425,202	1,425,202
Self catering	78,350	78,350	56,722	56,722
Sundry income	3,857	3,857	7,857	7,857
Camp fees	37,568	37,568	43,867	43,867
Discounts received	781	781	857	857
Estate income	105,534	105,534	132,098	132,098
Mission and Outreach	193,912	193,912	178,899	178,899
	<u>1,738,043</u>	<u>1,738,043</u>	<u>1,845,502</u>	<u>1,845,502</u>

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Lee Cottage income	34,538	34,538	31,132	31,132
Shop income	55,096	55,096	61,262	61,262
	<u>89,634</u>	<u>89,634</u>	<u>92,394</u>	<u>92,394</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Interest and dividends receivable	3,509	3,509	2,755	2,755
	<u>3,509</u>	<u>3,509</u>	<u>2,755</u>	<u>2,755</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Costs of other trading activities - Shop costs	54,513	54,513	59,536	59,536
	<u>54,513</u>	<u>54,513</u>	<u>59,536</u>	<u>59,536</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
The operation of Lee Abbey and its community	1,560,855	67,352	1,628,207
Support costs	432,535	—	432,535
	<u>1,993,390</u>	<u>67,352</u>	<u>2,060,742</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
The operation of Lee Abbey and its community	1,726,977	205,686	1,932,663
Support costs	436,071	—	436,071
	<u>2,163,048</u>	<u>205,686</u>	<u>2,368,734</u>

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
The operation of Lee Abbey and its community	<u>1,571,475</u>	<u>56,732</u>	<u>432,535</u>	<u>2,060,742</u>	<u>2,368,734</u>

12. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2020 £	Total 2019 £
Premises	42,043	42,043	33,253
Communications and IT	49,648	49,648	44,819
General office	9,000	9,000	8,640
Human resources	95,072	95,072	83,847
Finance costs	12,811	12,811	13,540
Legal fees	667	667	1,652
Bank charges	15,383	15,383	14,446
Promotional costs	66,753	66,753	75,829
Activity administration	13,515	13,515	21,461
Community sundry costs	4,501	4,501	1,586
Gratuities	4,470	4,470	1,174
Trustees' expenses	1,404	1,404	2,156
Contribution to Lee Abbey Movement	27,500	27,500	42,000
Community allowances	89,769	89,769	91,668
	<u>432,536</u>	<u>432,536</u>	<u>436,071</u>

13. Analysis of grants

	2020 £	2019 £
Grants		
Bursary grants	56,732	63,945
Total grants	<u>56,732</u>	<u>63,945</u>

14. Other expenditure

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
(Profit)/Loss on disposal of tangible fixed assets held for charity's own use	<u>—</u>	<u>—</u>	<u>(2,620)</u>	<u>(2,620)</u>

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

15. Net income/(expenditure)

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

	2020	2019
	£	£
Depreciation of tangible fixed assets	130,476	196,158
Gains on disposal of tangible fixed assets	<u>—</u>	<u>(2,620)</u>

16. Staff costs

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

	2020	2019
	£	£
Wages and salaries	521,911	537,629
Social security costs	16,125	17,647
Employer contributions to pension plans	70,874	77,099
	<u>608,910</u>	<u>632,375</u>

The average head count of employees during the year was 100 (2019: 99). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Running Lee Abbey	95	94
Management and Administration	5	5
	<u>100</u>	<u>99</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

17. Trustee remuneration and expenses

During the year Trustees' received remuneration and other emoluments of £2,000 (2019 £2,000).

Travel and incidental expenses of £1,404 (2019 £2,156) have been reimbursed to the trustees during the year.

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

18. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 May 2019	5,997,766	997,800	148,721	7,144,287
Additions	—	—	9,950	9,950
At 30 April 2020	5,997,766	997,800	158,671	7,154,237
Depreciation				
At 1 May 2019	1,433,450	961,620	89,628	2,484,698
Charge for the year	99,005	28,150	3,321	130,476
At 30 April 2020	1,532,455	989,770	92,949	2,615,174
Carrying amount				
At 30 April 2020	4,465,311	8,030	65,722	4,539,063
At 30 April 2019	4,564,316	36,180	59,093	4,659,589

19. Stocks

	2020 £	2019 £
Raw materials and consumables	152,824	108,103

20. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	9,130	—
Prepayments and accrued income	36,512	83,698
Other debtors	19,685	6,466
	65,327	90,164

21. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	21,838	63,153
Deposits held	84,102	295,643
Amounts owed to group undertakings	—	3,970
Social security and other taxes	2,671	2,738
Other creditors	40,162	143,470
	148,773	508,974

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

22. 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 £70,874 (2019: £77,099).

23. Analysis of charitable funds

	Balance at 1 May 2019 £	Income £	Expenditure £	Transfers £	Balance at 30 Apr 2020 £
Provision of Hydro					
Electric Power	5,633	1,208	(780)	—	6,061
Special Projects	—	14,884	(12,802)	—	2,082
Camp Friends	28,001	2,130	(3,294)	—	26,837
Devon Ministries	18,172	1,018	(19,190)	—	—
Estate and Buildings	27,258	1,317	(28,575)	—	—
Inglis Fund	2,688	250	—	—	2,938
Mission and Outreach	2,267	444	(2,711)	—	—
Community Project	—	1,750	—	—	1,750
Total	84,019	23,001	(67,352)	—	39,668

Purpose of restricted funds

The Provision of Hydro Electric Power fund is a donation towards maintenance of Hydro Electricity for Lee Abbey Fellowship in Lynton.

Donations received from Camp friends.

Previously Community pastoral fund. The special projects fund receives restricted donations for specific projects due to take place.

The Lady Gas fund provides breaks for underprivileged young people particularly from deprived urban areas.

The Inglis fund provides breaks for bereaved families.

The Devon Ministries fund provides support for Lee Abbey mission, ministry and community.

The Estate and Buildings fund provides support for the Lee Abbey environment, house and estate.

Unrestricted Funds analysis

	Balance at 1 May 2019 £	Income £	Expenditure £	Transfers £	Balance at 30 Apr 2020 £
Fixed Asset Reserves	4,659,589	—	—	—	4,659,589
General Funds	663,153	2,132,597	(2,047,903)	—	747,847
Total	5,322,742	2,132,597	(2,047,903)	—	5,407,436

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	4,539,063	—	4,539,063
Current assets	1,017,146	39,668	1,056,814
Creditors less than 1 year	(148,773)	—	(148,773)
Net assets	5,407,436	39,668	5,447,104

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	4,659,589	—	4,659,589
Current assets	1,109,202	146,944	1,256,146
Creditors less than 1 year	(508,974)	—	(508,974)
Net assets	5,259,817	146,944	5,406,761

25. Analysis of changes in net debt

	At 1 May 2019 £	Cash flows £	At 30 Apr 2020 £
Cash at bank and in hand	1,057,879	(219,216)	838,663
Debt due within one year	(3,970)	3,970	—
	1,053,909	(215,246)	838,663

26. Related parties

The charity is part of the group known as The Lee Abbey Movement and has transaction with other group members. These comprise;

- payments to The Lee Abbey Movement of £27,500 (2019 £42,400)
- a contribution from The Lee Abbey Movement of £50,100 (2019 £50,100)
- a contribution from The Lee Abbey Movement for administrative expenses of £6,238 (2019 £6,238)

As at 30 April 2020 The Lee Abbey Movement was owed £9,130 from Lee Abbey Fellowship (2019 £3,970 owed to Lee Abbey Fellowship).

Lee Abbey Fellowship
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 April 2020

25. Post Balance Sheet Event

It should be noted that, at the date of preparation of the financial statements, uncertainty relating to the health emergency due to the COVID-19 pandemic should not be underestimated. There have been no adjusting events identified whilst preparing the accounts.

The charity has reviewed various scenarios and evaluated the management actions necessary to mitigate the impact on its operations. The charity has adopted initiatives to safeguard the health of all people, with whom it comes into contact, and actions aimed at maintaining operational activity. The repercussions for the financial statements are currently not determinable in light of the volatility of the situation. Any adjustments which may be necessary will be reflected in the 2021 results.