



Douai Abbey Trust

Annual Report and Accounts

31 August 2020

Charity Registration Number
236962

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Reference and administrative information

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Principal address	Douai Abbey Upper Woolhampton Reading RG7 5TQ
Telephone	0118 971 5300
Website	www.douaiabbey.org.uk
Charity registration number	236962
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank plc 30 Market Place Newbury RG14 5AJ
Investment managers	Ruffer LLP 80 Victoria Street London SW1E 5JL
Solicitors	Coffin Mew LLP Rivergate House Newbury Business Park London Road Newbury RG14 2PZ

Trustees' report Year to 31 August 2020

The trustees present their statutory report together with the accounts of Douai Abbey Trust ("the charity") for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 33 to 38 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

Douai Abbey, the Community of St Edmund of the English Benedictine Congregation of the Order of St Benedict (the "Community"), is situated at Upper Woolhampton, Reading, Berkshire. It comprises a community of monks engaged in educational and pastoral and other work.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Community in England are held. The charity is governed by a trust deed dated 22 September 1934, and is registered under the Charities Act 2011, Charity Registration Number 236962.

The trustees are incorporated under the Charities Act 2011 as a body known as "The Trustees of Douai Abbey" by a certificate granted by the Charity Commissioners on 7 May 1999.

Mission

Douai Abbey Trust aims to support the religious and other charitable work carried on by the members of the Community. These ministries carried out by the monks, all of which benefit members of the general public, fall into the following main areas:

- ◆ The administration of the sacraments and maintenance of the Divine Service in the Abbey Church and in other parishes for which the Community has responsibility;
- ◆ Caring for members of the Community including those who are older and/or frail;
- ◆ The provision of education in the broadest sense and the education of new members of the Community training for the monastic life;
- ◆ The provision of social and pastoral work, particularly in the field of hospitality; and
- ◆ Supporting financially by the provision of donations, other organisations with objectives consistent with those of the charity.

Activities, specific objectives and relevant policies

Activities and specific objectives

As stated above under "Mission", the charitable activities of the Douai Abbey Trust are undertaken by the monastic community at Douai Abbey and can be divided into a number of principal areas. Each of these areas is discussed in further detail in the paragraphs which follow.

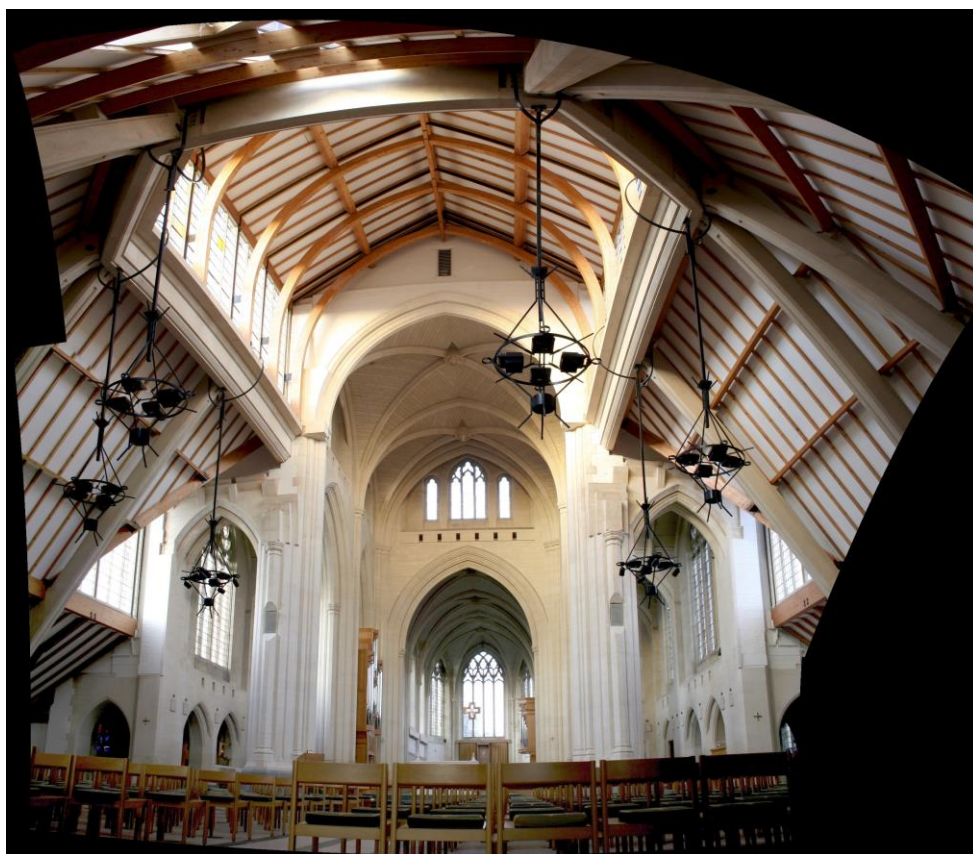
Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

In setting the charity's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

♦ **Formal Divine Service and other services in the Abbey Church**

The monks gather in the Abbey Church five times a day for formal services and visitors are always welcomed and invited to participate. The masses on Sunday and on feast days are well attended by parishioners and by others from further afield. At other times, the Church is open and visitors may come and pray by themselves. The church is also used by the diocese and by other churches in the area who do not have enough space for large celebrations.



The Abbey Church is a listed building (Grade 2*) and some people come to appreciate the architecture; guide books and postcards are available. The trustees appreciate their responsibility to maintain the building to the highest standards.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **Formal Divine Service and other services in the Abbey Church** (continued)

In addition, regular concerts in the Abbey Church are organised by the monastic community and by outside organisations and enhance the cultural opportunities of the locality.

It is made clear to those who attend such concerts that the Abbey Church is a sacred space. This highlights the aims of the charity, even if visitors' primary reason for attending is to listen to the music. The Abbey Church is also used by local primary schools, both Catholic and non-Catholic, for various functions, including Christmas carol services and formal gatherings to mark the end of the school year. Most of these events are made possible without a prescribed charge to the outside organisations.

♦ **Caring for members of the Community including those who are older and/or frail**

The trustees are very conscious of their moral and legal obligation to care for the older and frailer members of the Community. None of the monks has resources or private income of his own since their earnings, gifts or donations, as well as their pensions, have been covenanted to the charity. As the Community's age profile increases, so too does the need to provide increasingly expensive care for the members. The trustees will continue to make this one of their priorities for the future and, as a consequence, they will assess how it affects the ministries of the individual members of the Community. They are aware of the financial implications for the charity's resources.

♦ **The provision of education**

The Community's work in the field of education is broad and includes the education of new members of the Community training for monastic life and Church Ministry, the education of young people in various ways through pastoral and chaplaincy work, and the education of adults by courses, lectures and university teaching.

In line with their vision for the future, members of the Monastic Community have in recent years moved from secondary into tertiary education by taking up teaching in university adult education programmes, by expanding adult education on site in the pastoral programme of talks, and by offering retreats and courses for spiritual and theological renewal. Furthermore, some monks publish books and articles in such disciplines as history and theology, which is another strand in the Community's educational outreach.

♦ **The provision of hospitality and pastoral work**

The Community is involved in the provision of hospitality and pastoral care by welcoming guests and visitors to the monastery; by serving parishes locally and further afield in Britain; by offering retreats and talks both within the Community's pastoral programme and elsewhere; by chaplaincy work especially in schools; by being available for spiritual direction and confession; by supplying priests to help in local parishes; or by other similar work on request.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **The provision of hospitality and pastoral work** (continued)

Although there is a list of suggested charges for the use of the guest facilities, it is made clear to guests that the monastery welcomes all who seek to share in our hospitality and that inability to pay is no obstacle to using the Community's facilities. In practice, most people pay the suggested rate and thus contribute to the income of the charity, but others give only what they can afford. The trustees consider that this is a clear and significant means by which the charity is able to discharge its duty of public benefit. While a majority of our guests are Roman Catholic, increasing numbers from other Christian denominations and other religions are also welcomed.

Members of the Community continue to maintain and develop pastoral work in the parishes that are the responsibility of the Community. There are two clusters of parishes, in Lancashire and in the South Midlands, the specific affairs of which are overseen by the separate Douai Abbey Parishes Trust. One member of the Community cares for the parish in the immediate area of the monastery. Two members of the Community are currently working in diocesan parishes which do not belong to the Community.



Fr Benedict with First Communion children in the parish of Studley in Warwickshire

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **The provision of hospitality and pastoral work** (continued)



Fr Peter blessing young people after mass in the RTU (Reaching the Unreached) project in South India supported by Woolhampton Parish of which he is parish priest

♦ **Members of the Community working elsewhere**

One member of the Community is currently working in Rome at the international Benedictine college of St Anselm, where he teaches as well as supervising the formation of those students in training for the priesthood. He also serves the English Benedictine Congregation as its representative in Rome. Another member is both parish priest of one of our parishes and Secretary of the Department of Christian Life and Worship of the Conference of Bishops of England and Wales.

♦ **Donations to other organisations**

When planning their budget at the beginning of the year, the trustees agree to set aside a certain amount for organisations whose work is consistent with the objects of the charity.

Protection of Children and Vulnerable Adults

Like all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves in any way. This means that members engaged in any ministry in Great Britain must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are fully committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS). During the year a new Safeguarding Representative for the Trust was appointed on the retirement of a member of the community who had previously filled this role. She is a retired child-care professional who has had extensive experience of safeguarding at a local and national level; she and the Abbot form the community's Child Protection Committee under the Safeguarding Commission of the Roman Catholic Diocese of Portsmouth. Safeguarding appears as an agenda item on every trustee meeting and the Safeguarding Representative attends at least one meeting of the trust during the year.

Protection of Children and Vulnerable Adults (continued)

As reported last year, the community, together with the other monasteries in the English Benedictine Congregation, has engaged the services of an American, non-religious organisation called Praesidium who have compiled a preliminary report on the community's safeguarding policies and practice. The community has spent a great deal of time during the year reviewing our policies so that we can achieve accreditation from this organisation. In January 2021 we received confirmation that we have been accredited.

The Independent Inquiry into Child Sexual Abuse published its final report into the Catholic Church in November 2020. The Bishops of England and Wales responded by commissioning an independent review, called the Elliott Report, which was published in November 2020 and concrete proposals will be emerging from this in the near future. The trustees are committed to implementing these proposals and to reviewing our policies as necessary.

Investment policy

The charity has a portfolio of listed investments which together with cash awaiting investment had a market value as at 31 August 2020 of £4,915,503 (2019 – £4,609,861).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term; the trustees have agreed a detailed investment policy that includes ethical guidelines with the investment managers which they take into account in their choice of securities. According to the ethical policy, the trustees will not invest in companies which engage in activities which are contrary to the moral and social teaching of the Roman Catholic Church, in so far as this can be practically established. With our change of investment manager to Ruffer LLP, the overall investment policy is to maximise total return through a diversified portfolio, prioritising total return and portfolio growth over the provision of a pre-determined level of income.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees whose representatives meet with the investment managers regularly.

In addition to the listed investments, the charity had £75,000 invested in National Savings Bonds at 31 August 2019 but these were redeemed in the year and the funds reinvested in the portfolio managed by Ruffers.

The charity also has several properties which are used to generate rental income and which are classified in the accounts as investment properties.

Achievements and performance

Review of activities

♦ Formal Divine Service and other services in the Abbey Church

The Divine Office is one of the permanent features of the monastic life and there have been no major developments or changes during the year other than to revise some elements in our services. Since the lockdown in March 2020 we have not been able to welcome outsiders to share our liturgy except for a brief period after the end of this financial year when we were able to open. Many churches have streamed their services but the size and shape of our church does not lend itself easily to broadcasting the monastic liturgy without major expense. We advised our normal supporters to seek out other churches and monasteries who were providing services on-line. At the same time we know that many people gain great comfort from knowing that the monks are gathering five times a day to pray, even if they cannot be present to share it.

However the parish have been streaming weekly Sunday Mass for our parishioners and other friends from the Abbey church, individual singers and readers participating from their homes. These online Masses have been widely appreciated and have helped to keep the parish together

Last year we reported that we had acquired new sanctuary furniture designed by George Pace for Ely Cathedral in the 1960s. During this year we have been able to add more Pace furniture originally designed for St Alban's Cathedral. The trustees are grateful to the Church of the Most Precious Blood in Southwark, where the stalls had been latterly, for donating these new pieces which complement the furniture from Ely.



*Sanctuary furniture from St Alban's Cathedral (left)
next to those donated by Ely Cathedral (right)*

Achievements and performance (continued)

Review of activities (continued)

♦ **Caring for older and frail members of the community**

During the year three members of the community who had been cared for within the community have died. One of them died in October after a short stay in hospital and two died in care homes in March and April where they had been for some months. Sadly we were not able to visit them in their last weeks of life, due to the Covid lockdown. Currently there are no members of the community who need medical or personal care.

The infirmarian has taken part in regular virtual meetings with other infirmarians and health professionals over the year.

♦ **Our buildings and our environment**

There have been no significant building works during the year, apart from general maintenance. The lockdown meant that our maintenance engineer was furloughed for the first few months. Since the scheme was made more flexible he has come back to work for just two days a week, but has only been able to deal with urgent matters. There has been some planning and investigation into reducing our carbon footprint, particularly in relation to our expensive heating system, powered by an oil boiler. A new door has been built by our own staff in the Reception area, making the arrival of guests more welcoming; the door helps to retain the heat and exclude draughts.



Achievements and performance (continued)

Review of activities (continued)

♦ **Our buildings and our environment** (continued)

One interesting development has been the attempt to re-open a bore hole which is known to have been operational until it was closed off in the early 1950's. It was hoped that it would be a way of providing water for the garden at virtually no cost. A drilling company came to investigate because the exact location of the bore-hole is not known. So far the search has been unsuccessful but we are determined to get to the bottom of it!



Investigating the Bore Hole



The old water tower

Our apiary has now adopted a 'Darwinian bee-keeping' approach to address the pandemic of varroah mites, adopting a strictly non-treatment and non-intervention strategy. We hope within a few years that our colonies will have developed resistance to varroah, which will mean all our honey is completely organic and our bees are raised exclusively from locally-adapted stock.



Achievements and performance (continued)

Review of activities (continued)

♦ **Our buildings and our environment** (continued)

We have a developing, managed wildflower meadow (97% of wildflower meadows have disappeared since World War II). As well as several grasses which are harvested for hay, the plants include mostly perennial species that have been introduced or naturalised: ox-eye daisy, common vetch, yarrow, germander speedwell, orange hawkbit, meadow cranesbill, knapweed, yellow rattle, stachys, ribwort plantain, sage clary, common agrimony, birdsfoot trefoil, red and white clover, sorrel, meadow buttercup, St John's wort.

The meadow is an important resource for many species of pollinators, butterflies, birds and mammals.

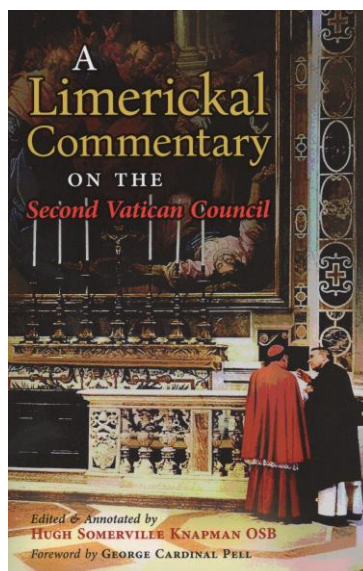
We have begun to address the problem of excessive waste. Virtually all of our kitchen waste goes either to the chickens or is composted, together with most of our waste paper.

♦ **The provision of education**

One new member has been clothed as a novice during the year. Another person took his first vows in September 2020, but has subsequently decided to leave.

Some members of the Community act as part-time chaplains for the Roman Catholic pupils at Winchester College. Since the lockdown there has only be a short period when we were able to fulfil this ministry. Pupils from a local school for children with significant autism and attendant learning difficulties attended the monastery regularly for work experience in the gardens and in the housekeeping department; this also ceased during the lockdown and has not yet resumed.

One member of the community continues with his further studies and published a light-hearted book on the Limericks written by the Anglophone bishops during the Second Vatican Council.

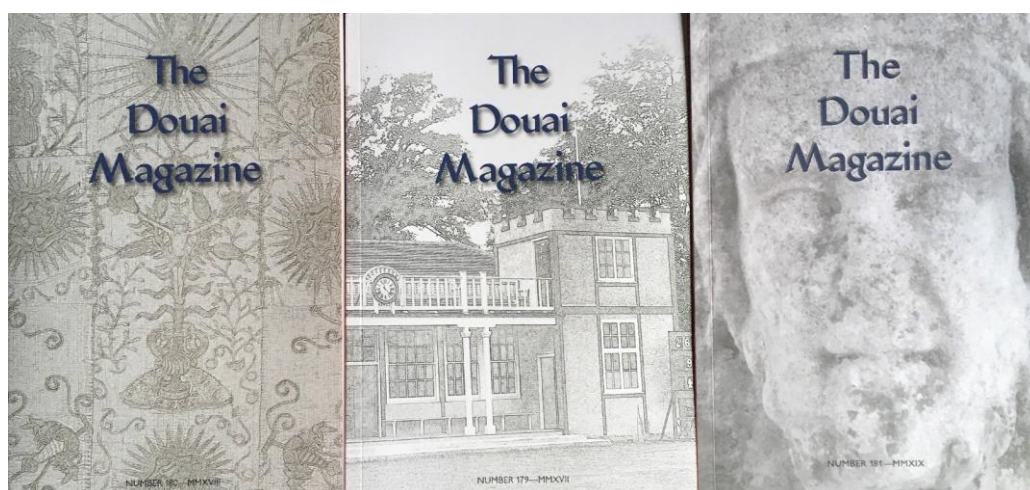


Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of education** (continued)

The community produce a magazine every year which is distributed free of charge to visitors, parishioners, former pupils of Douai School and other supporters. The most recent edition included articles by monks, friends, and independent scholars on such varied subjects as Reading Abbey ruins, the Anglican church in Ethiopia, Safeguarding, the history of the Douai Society, the archives of the English Carmelites of Antwerp and a detailed account of the major project to repair the Abbey Church windows blown out by Storm Diana in November 2018.



Covers of the last three copies of *The Douai Magazine*

The English Benedictine Congregation has set up a Continuing Formation Commission which has organised various events for the monks and nuns of the Congregation. During the period of lockdown this commission organised a virtual series of talks given by monks and others; this has meant that members of the community had an opportunity to join in discussion with other monks and nuns of the congregation in a way which has not happened before: one of the very few benefits arising from the new world of the pandemic. The community is fully committed to the idea that formation should continue through the life of a monk.

The trustees consider the monastery's archive and library to be part of its service to education. Both facilities are very well utilised by visiting researchers and scholars. During the year there have been visitors from the Friends of the National Portrait Gallery and from the Friends of Reading Abbey and Reading Museum. The lockdown has prevented researchers from visiting since March.

Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of education** (continued)

The archivist has arranged two exhibitions during the year: one commemorating 150 years of the Douai Society, the organisation for the former pupils of Douai School, which closed in 1999 and another about St Thomas Becket, marking the 850th anniversary of his martyrdom and focussing on a fourteenth century reliquary which will be forming part of an exhibition at the British Museum in 2021 and which is now on display in the Victoria and Albert Museum. During the year the library received a gift of a theological library from Dr Tony Cross



Medieval Reliquary

In January we employed one part-time archivist to help to organise the Douai Abbey collection and arranged for another part-time archivist to work on the archives of the English Province of the Dominicans which are under our care; the latter post is funded by the Dominicans.

The community is associated indirectly with a new enterprise related to education. The Douai Society (the organisation for former pupils of Douai School) has set up a Foundation (which will be seeking to be registered as a charity in due course) to support Benedictine education; grants have been made to two Benedictine Schools in Africa. The Abbey Trust is not financially involved, but the Abbot is an ex officio trustee of this body.

Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of education** (continued)



*Inkamana High School in Kwa-Zulu Natal, South Africa
supported by the Douai Foundation*

♦ **The provision of hospitality and pastoral work**

The Guest House was closed from 6 March due to the lockdown and remains closed. During the first part of the year (from September 2019 to March 2020) 1,435 over-night stays in the Guest House were recorded. The equivalent figure for those months in 2018-19 was 1,499. The numbers for the last full year September 2018 to August 2019 was 3,239. These numbers represent both individuals on retreat and groups attending conferences. The income from the Guest House totalled £127,679 (2019 – £173,982).

Trustees' report Year to 31 August 2020

Achievements and performance (continued)

Review of activities (continued)

♦ The provision of hospitality and pastoral work (continued)

The Guest Refectory . . . empty since March 2020



We continue to subsidise the stays of those who cannot afford to pay either part or all of the suggested donation for accommodation and we consider this to be part of our contribution to public benefit. The kitchen and housekeeping staff deliver a high standard of service to guests and visitors, a fact frequently commented on by those staying at Douai.

In June 2020 the Guest department conducted a survey of our guests in order to establish whether they would be prepared to return to visit when the restrictions were lifted. 241 results were received and they were very positive and encouraging. Apart from questions asking about their willingness to return to Douai once restrictions were lifted and their experience of virtual retreats and talks, respondents were given the opportunity to make their own comments and reactions. Here is a sample of some of their remarks:

*“Don’t feel pressured to open before it is safe to do so.
Everyone who comes to the Abbey as a guest is always made to feel so very
welcome.”*

Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of hospitality and pastoral work** (continued)

"What is certain is that nothing is certain . . . except that I miss my time with God at Douai."

"Douai Abbey is my happy place."

"We can't wait to be back in the Abbey Church."

Since we cannot offer retreats during the lockdown members of the community have organised talks and conferences via Zoom and these have been well received. We have not asked for any payment; nevertheless these have given rise to some donations. We have also made increasing use of social media to remind people that we are thinking of them and praying for them.

Activities have included online courses such as Reading the Acts of the Apostles weekly over 3 months, Advent Reflections by oblates and parishioners, the Infancy Gospels, and a regular spiritual Book Club. Individual monks have also contributed weekly talks on video distributed with the parish bulletin.

This has also resulted in many supportive comments:

"I'm attending the Advent Initiative and the Christian Mindfulness course and thank you so much for all you are organizing and motivating."

"Joining your online meetings has brought me much pleasure and has helped my spiritual growth."

"Many thanks to everyone involved in making this morning possible. It was a great help and inspiration for me and, after months of virtual solitude, so good to see fellow Christians. I have had some difficult times in the past few months but today helped me see a better way forward."

"Many thanks for organising the retreat, I thought it was very successful and a really inspirational start to Advent."

Appreciative comments received include:

"Thank you for your hard work and the interesting talks by some of the monks during this very difficult year."

"You have risen brilliantly to the need & kept us all 'on track'."

"Wonderful to take part in the Zoom Masses which keep us in touch with one another."

"Your talks are inspirational and a source of spiritual comfort in this time of isolation."

The community hopes to develop & maintain this form of outreach beyond the time of pandemic.

Investment performance

During the year to 31 August 2020, the charity's listed investments produced an income yield of 0.9% (2019 – 1.39%). The charity's listed investments rose in value during the year, giving rise to net investment gains of £310,698 (2019 – gains of £61,370) on the portfolio. The capital yield on the portfolio during the year showed a rise in value of 7.28% (2019 – 1.46%).

Investment properties produced rental income of £108,476 (2019 – £119,321) during the year.

Financial report for the year

Results for the year

A summary of the results for the year can be found on page 30 of the attached accounts.

Total income for the year amounted to £610,601 compared to £711,247 in the prior year. Donations and legacies amount to £257,965 compared to £316,361. The total figures include donations of £29,493 (2019 – £90,534) being monies restricted in their use and mainly raised towards the restoration of a stained glass window in the Abbey Church which was damaged in storms during the 2018/19 winter or towards the future costs of maintaining the library archives. Income from charitable activities i.e. retreat house income and related receipts decreased to £127,679 (2019 – £173,982) as did income from visitors and other trading activities to £10,888 (2019 – £30,089) following the temporary cessation of certain activities as a consequence of the Covid-19 pandemic. Income from listed and property investments, together with interest receivable, amounted to £148,448 (2019 – £177,969).

Expenditure amounted to £901,194 compared to £1,063,354 in 2019. The cost of raising funds decreased by £4,988 to £59,781 (2019 – £64,769), the costs in relation to supporting members of the Community and their ministry decreased to £841,413 (2019 – £998,585).

The decrease is due to a fall in legal fees (see note 7) and a decrease in premises costs of £76,181 to £186,013, mainly due to expenditure on the repair of the stained glass windows in the Abbey Church in 2019.

The net expenditure for the year before investment gains and foreign exchange gains was £290,593 (2019 – net expenditure of £352,107). The net investment gains totalled £310,698 (2019 – £61,370) in respect to listed investments. The properties held for investment were revalued giving rise to an unrealised gain of £97,500. Foreign exchange gains totalled £47,966. When these net gains are accounted for, the overall impact on the charity's funds is an increase of £165,571 for the year (2019 – decrease of £290,737).

Financial report for the year (continued)

Financial impact of Covid-19

Apart from the restrictions of lock-down and general concern about the pandemic which we share with everyone, there have been various financial implications for the Trust. The most significant effect was the loss of income from the Guest House, but the absence of visitors and the closure of the Abbey Church from March until August meant that there were no cash and gift-aid envelopes collections on Sundays and virtually no income from the Bookshop (which is located in the church). The loss of the collections was mitigated to some extent because many of our supporters, including those who attend services, give through standing orders. These have not been affected.

Apart from our catering manager and groundsman, all our staff were furloughed from March 2020, but our maintenance engineer (two days a week) and one kitchen assistant (at first three days a week and later full-time) came back to work once the scheme allowed flexibility in July. The government's Job Retention Scheme and its successor were, and continue to be, a great help to us financially.

Reserves policy and financial position

Reserves policy

As explained above, the charity carries out a diverse range of activities, some of which comprise short term and externally funded projects whilst others comprise long term projects requiring significant ongoing financial commitment and investment. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to 36 months expenditure. The trustees are of the opinion that this reflects the charity's reliance on investments to generate investment income to fund recurring expenditure. The policy also provides sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

The balance sheet shows total funds £15,156,896 (2019 – £14,991,325).

These funds include an amount of £116,499 (2019 – £99,695) which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 17 to the accounts together with an analysis of movements in the year.

The tangible fixed assets fund equal to the net book value of the tangible fixed assets and amounting to £6,720,366 (2019 – £6,907,322) has been identified as a separate fund in recognition of the fact that such assets are required to enable the Community to carry out its charitable work and are not available to fund activities or meet future commitments.

Funds totalling £4,600,000 (2019 – £4,600,000) have been designated, or set aside, by the trustees for specific purposes as follows:

Financial report for the year (continued)

Reserves and policy and financial position (continued)

Financial position (continued)

- ◆ An amount of £4,150,000 (2019 – £4,150,000) has been designated to meet the costs of the care and welfare of members of the Community as they grow old or frail. The members are wholly dependent on the charity for their maintenance and care. The amount of funds set aside has been calculated using actuarial principles and will provide only modest amounts in the future.
- ◆ £450,000 (2019 – £450,000) has been set aside towards the cost of future improvements to, and maintenance of, the charity's freehold properties.

Further details of the purposes of the designated funds and an analysis of the movements on the funds are set out in note 18 to the accounts.

General funds or 'free reserves' of the charity at 31 August 2020 total £3,720,031 (2019 – £3,384,308).

The trustees consider that this level of free reserves is appropriate despite it being slightly higher than the amount set out in the charity's reserves policy above. The trustees are of this opinion that this is both acceptable and prudent given the volatility in world stock markets at the present time and the other political and economic uncertainties resulting from the global Covid-19 pandemic and because of the unquantifiable expense arising from the Independent Inquiry into Child Sexual Abuse (see earlier).. They also accept that in the years ahead, members of the Community may require increasing and increasingly expensive health care, and that the designated retirement fund of £4,150,000 (2019 – £4,150,000) described above may prove to be inadequate. It is the intention of the trustees to increase the fund over time. The trustees, therefore, consider free reserves to be adequate but not excessive, but they will keep this matter under review.

Raising funds

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Trustees' report Year to 31 August 2020

Future plans

The trustees have the intention of consolidating the charity's activity and income in the following ways:

In company with many other charities, of whatever kind, there are many uncertainties in the post-Covid future and we will have to be prepared to face a new world with appropriate policies and perhaps with a changing vision. We are also faced with the growing demands of confronting a world in which the effects of climate change are ever more pressing. We expect that our experience of having to become more self-sufficient in our domestic arrangements in lock-downs will lead us to simplify our lives in other ways.

We have already begun to investigate how to reduce our carbon footprint and are actively researching alternative energy sources, both in heating, electricity and in our use of cars. We will build on what we have achieved already in the past few years by the use of solar panels and ground source heat pumps.

We have looked at our provision of hospitality which is an important element of our Benedictine tradition and have come to the conclusion that we may want to look again at our priorities and the possibility of taking on different ministries. This will have implications for our level of staffing. The periods of lock-down have enabled us to stand back and look at these questions more dispassionately.

We will continue to investigate the best way of making our church services more accessible to a wider world through streaming and other technologies.

When the restrictions are lifted, we hope to hold a Memorial Ecumenical Service for all those in our area who have died in the pandemic and offer those who are in need of comfort or peaceful rest to come to terms with their experience a safe haven in our Guest House.

Together with other monasteries in the Congregation we have looked at our engagement with the world and at our collaboration with the work of the wider church and we will be investigating new possibilities of service.

The trustees will be exploring new ideas for attracting vocations to the community

Governance, structure and management

Governance

Douai Abbey is an autonomous monastery of the Roman Catholic English Benedictine Congregation. The conduct and administration of the monastery is subject to the Constitutions of the English Benedictine Congregation and to the precepts of the Code of Canon Law of the Roman Catholic Church.

In terms of civil law the charity is governed by a trust deed dated 22 September 1934 and is a registered charity – Charity Registration No 236962. The trustees of the Abbey are the Abbot and the members of his Council. The members of the Abbot's Council are each year partly appointed by the Abbot himself from members of the Community and partly elected by the monks of the Abbey.

As all the trustees are members of the Community, they have a detailed knowledge of the work of the charity and its structure. Unlike many charity trustees who might live at a distance and meet briefly quarterly or so, the trustees are involved on a daily basis with the work of the charity, live within the Abbey itself or in its parishes, and meet and interact on a frequent basis. As members of the monastic community, the trustees are also beneficiaries of the charity, but they do not receive any benefits which are not also received by the other members. The trustees seek advice from professional advisers where necessary on legal, accounting, property and other issues. In addition, a voluntary advisory group of professionals of varied financial experience advises the trustees on investment policy and strategic development. The bursar attends external meetings and conferences during the year which enable him to keep up to date with developments of interest to the charity and to the sector as a whole. He has attended more virtual webinars and conferences since the lockdown began. The Abbot is also involved in other trusts and attends meetings with other religious superiors during the year. Other trustees are encouraged to attend relevant and appropriate courses and conferences so as to enable them to continue to be aware of their responsibilities and developments in the charity sector.

The names of the trustees who served during the year are set out as part of the reference and administrative information details on page 1 of this annual report and accounts. Brief biographical details of the trustees in office at 31 August 2020 are given below:

Rt Revd W G Scott OSB

Abbot of Douai since 1998, chairman of trustees, member of the community since 1966. MA (Oxford) PhD, FSA, FRHistS, Teacher of History in Douai School 1975 - 1993, Headmaster 1987 - 1993, librarian and archivist of the Abbey 1989 - present. Chair of Douai Abbey Parishes Trust, trustee of Oulton Abbey, member of Bishops' Patrimony Committee with responsibility for libraries and archives, President of the Catholic Archives Society and Vice-President of the Catholic Records Society and since 2017 has been analyst for the English Benedict Congregation. He is on the editorial board of the Douai Magazine. He teaches Church History at Blackfriars, the Dominican house of studies in Oxford. He is the First Assistant Abbot to the Abbot President of the English Benedictine Congregation and has been responsible for various Visitations and Abbatial Elections during the year.

Governance, structure and management (continued)

Governance (continued)

Revd A Hood MA, PhD, PGCE, AdvDip Couns

Prior of Douai Abbey since September 2014. Teacher at Douai School, 1992 - 1995, served on the Douai parish of Ormskirk, 1995 - 2002, (during which time he was a trustee of the Douai Abbey Parishes Trust), Novice Master and Choirmaster at Douai since 2002. He was formerly a trustee of the charity from 1998 until 2006. He is on the editorial board of the Douai Magazine. He is also a trustee of another Benedictine monastery at St Michael's Abbey, Farnborough, Hants. He gives retreats at Douai and elsewhere and sees people for spiritual direction on a regular basis.

Revd T Bowe OSB, MA, STL

Teacher of Economics and RE 1972-1982, housemaster 1972 – 1982, bursar 1996 – 2005, vice-chairman of Association of Provincial Bursars 2000 - 2005, Novice Master 1983 - 1990, founder member and bursar of Maison St Benoit, the dependent house in France 2005 – 2012; Prior of Douai September 2012 – September 2014, parish priest of Woolhampton since September 2012.

Revd T J Holt OSB MA

Teacher of English in Douai School 1977 - 1999, housemaster 1982 - 1999, Bursar of Douai Abbey since 2005, trustee since 1997, trustee of Priors Court School 2005 – 2014, trustee of Lejeune Clinic for children with Down's Syndrome 2006 - 2016, trustee of Friends of Newbury Spring Festival 2008 - present, member of Association of Provincial Bursars. Trustee of Downside Abbey 2016 – 2019.

Revd P Gunter OSB, BD, SL.L, SL.D

Currently Parish Priest of Alcester since 2016 and Secretary of the Department of Christian Life and Worship to the Catholic Bishop's Conference of England and Wales since 2012. Consulter to the Office of the Liturgical Celebrations of the Supreme Pontiff, Vatican City 2018-2013. Visiting Professor, Pontifical Athenaeum Regina Apostolorum, Rome 2008-2015, Professor at the Pontifical Institute of Liturgy, Rome 2006-2016. Further Studies, Rome 2002-2006. Parish Priest, Studley 1999-2002 and the Trustee of Douai Abbey Parishes Trust. Member, Council of Priests, Diocese of Clifton 1995-1999; assistant priest, school chaplain, hospital chaplain, Cheltenham 1992-1999.

Revd A Somerville Knapman OSB, MPhil, MA (Theol), STB, BA

Joining the monastery in early 2001, he was ordained a priest in April 2007 after studying in Oxford and Rome. His recently completed theological research at Bristol University was published by Paulist Press of New York in the autumn of 2018. Before entering the monastery, he studied at the University of Sydney and worked in education and then in a civilian role in communications for the New South Wales Police in Sydney, Australia. Currently he serves as the priest in residence at the parish of Scarisbrick in Lancashire and is the Community webmaster. He is engaged in doctoral studies and undertakes various publishing projects for the Community under the imprint of The Weldon Press. He is on the editorial board of the Douai Magazine.

The Douai Abbey trustees have a number of financial advisers who attend three meetings a year on a purely voluntary basis and are also available for consultation between meetings.

Governance, structure and management (continued)

Governance (continued)

Margaret Chin-Wolf is a retired portfolio manager/investment analyst for the Pacific Region who qualified as an economist and barrister. She is a Governor of the Pilgrims' School, a Governor of the University of Winchester and a member of the Jesuit Refugee Service International Development Group. She is also a Professional Coach/ICF ACSTH and a graduate of the FT Non-Executive Director Diploma.

Denis Murtagh is a chartered accountant. Now retired, he spent most of his career with KPMG, one of the largest global accounting and advisory firms, where he was a tax adviser.

Dr Ralph Townsend was Headmaster of Winchester College from 2005 to 2016. He is now President of Keio Academy of New York, Chairman of The Cothill Trust and Chairman of the Chengdu Westminster Management Committee.

Kate Burke (Safeguarding Representative) was a social worker for 42 years. She undertook advanced training in Child Protection (Safeguarding). She delivered training over many years at Thames Valley Police College Sulhampstead to Police and Social Services (until 2014). She served for 15 years on Portsmouth Diocese Safeguarding Commission (until 2019)

Kate currently works with the diocese of Southwark, Westminster and Portsmouth and undertakes critical assessments for the Catholic Safeguarding Advisory Service. She is attending a nine-month on-line course on the Theology of Safeguarding.

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial 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. In preparing these accounts, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Governance, structure and management (continued)

Trustees' responsibilities statement (continued)

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 accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's 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 are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Key management

The trustees consider that they together with the Bursar comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The trustees and the Bursar are all members of the Community and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or as senior management.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet every two months to review developments with regard to the charity or its activities and make any important decisions.

As stated above, when necessary, the trustees seek advice and support from the charity's professional advisers, e.g. property consultants, investment managers, solicitors and accountants. For some matters the constitutions of the English Benedictine Congregation require the Abbot to seek the whole Community's consent, for other matters it is only necessary to consult the Community.

Working with other organisations

The Community is responsible for the administration of several Roman Catholic parishes in England. The property and finances of these parishes are administered through a separate registered charity – the Douai Abbey Parishes Trust (Registered Charity No: 1063237). Two of the trustees of the Douai Abbey Trust are also trustees of the Douai Abbey Parishes Trust. Details of transactions between the two charities are given in the notes to the accounts.

Governance, structure and management (continued)

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and have done so after having regard to the effects of the unprecedented Covid-19 pandemic. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees review a risk management matrix annually, which includes such potential risks as the loss of key staff, disaster recovery and reputational risk.

The key risks for the charity, as identified by the trustees, are described below together with the principal ways in which they are mitigated:

- ◆ **Loss of key management (Abbot, Bursar etc)**
The trustees are aware that they are very dependent on certain key people and the implications of losing these people would be serious. The trustees consider that strong support from financial advisers, training of trustees, and ongoing discussion of ways of lightening the load of the Abbot will all mitigate this risk. In addition, the English Benedictine Congregation, of which the Abbey is a member, has developed structures of congregational support, including the lending of personnel, to assist any communities who find themselves in difficulties.
- ◆ **Failure to recruit and retain new members**
The trustees are very much aware of the age profile of the members of the community and of the need to recruit new novices. One member of the community is responsible for directing vocations and for attracting younger people to visit the monastery.
- ◆ **Dependence of income from investments rather than operations**
The charity relies to a large extent on the returns from its investment portfolio to cover its outgoings. The performance of the investment portfolio and the investment strategy are reviewed in meetings of the trustees and in regular meetings with the investment managers, taking into account current and future political and economic uncertainties. As explained in "Reserves Policy" on page 18, the charity's reserves policy reflects the need to hold investments in order to generate investment income to fund recurring expenditure. In addition, the charity maintains sufficient reserves to cover temporary shortfalls in income. The trustees have monitored the charity's investment carefully during the current Covid-19 pandemic and have maintained a regular dialogue with the charity's investment managers, Ruffer LLP.
- ◆ **Safeguarding and other reputational issues**
These are addressed under relevant policies on page 6.

Trustees' report Year to 31 August 2020

Governance, structure and management (continued)

Risk management (continued)

♦ The impact of Covid-19 on the trust

This has been added as a new item to the Risk Register. The community has been very careful in protecting its members from outside infection and has received medical advice. It is very difficult to calculate what particular risks we will be subject to which are not also shared with the rest of humanity, but the trustees will continue to monitor the situation and try to assess the impact of the pandemic on our lives and activities.

Employees, volunteers and members of the Community

The trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers and individual members of the Community. Their dedication is very much appreciated.

Approved by the trustees and signed on their behalf by:



Geoffrey Scott
Trustee

Approved by the trustees on: 25.3.2021

Independent auditor's report to the trustees of Douai Abbey Trust

Opinion

We have audited the accounts of Douai Abbey Trust (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, a summary of the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts is not appropriate; or
- ◆ the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 in relation to which the Charities Act 2011 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 accounts; 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

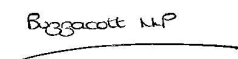
Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



8.4.2021

Amanda Francis

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

Statement of financial activities Year to 31 August 2020

	Notes	Un-restricted funds £	Restricted funds £	2020 Total funds £	Un-restricted funds £	Restricted funds £	2019 Total funds £
Income from:							
Donations and legacies	1	228,472	29,493	257,965	225,827	90,534	316,361
Charitable activities	2	127,679	—	127,679	173,982	—	173,982
Other trading activities	3	10,888	—	10,888	30,089	—	30,089
Investments and interest receivable	4	148,448	—	148,448	177,969	—	177,969
Other sources							
. Coronavirus Job Retention Scheme grants		49,135	—	49,135	—	—	—
. Miscellaneous income		16,486	—	16,486	12,846	—	12,846
Total income		581,108	29,493	610,601	620,713	90,534	711,247
Expenditure on:							
Raising funds	5	59,781	—	59,781	64,769	—	64,769
Charitable activities							
. Support of members of the Community and their ministry	6	838,824	2,589	841,413	920,799	77,786	998,585
Total expenditure		898,605	2,589	901,194	985,568	77,786	1,063,354
Net (expenditure) income before gains on investments and transfers							
	9	(317,497)	26,904	(290,593)	(364,855)	12,748	(352,107)
Transfers	17	10,100	(10,100)	—	—	—	—
Other recognised gains and losses							
Gains on the revaluation of investment properties	14	97,500	—	97,500	—	—	—
Forward exchange gains	14	47,966	—	47,966	—	—	—
Gains on the revaluation and disposal of listed investments	14	310,698	—	310,698	61,370	—	61,370
Net income (expenditure) and net movement in funds		148,767	16,804	165,571	(303,485)	12,748	(290,737)
Reconciliation of funds:							
Fund balances brought forward at 1 September 2019		14,891,630	99,695	14,991,325	15,195,115	86,947	15,282,062
Fund balances carried forward at 31 August 2020		15,040,397	116,499	15,156,896	14,891,630	99,695	14,991,325


All of the charity's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 August 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets:					
Tangible assets	13		6,720,366		6,907,322
Investments	14		8,269,256		7,929,861
			14,989,622		14,837,183
Current assets:					
Stocks		17,897		15,763	
Debtors	15	71,696		21,243	
Cash at bank and in hand		112,268		162,929	
		201,861		199,935	
Liabilities:					
Creditors: amounts falling due within one year	16	(34,587)		(45,793)	
Net current assets			167,274		154,142
Total net assets			15,156,896		14,991,325
The funds of the charity:					
Restricted funds	17		116,499		99,695
Unrestricted funds					
. General fund			3,720,031		3,384,308
. Designated funds	18		4,600,000		4,600,000
. Tangible fixed asset fund	19		6,720,366		6,907,322
Total charity funds			15,156,896		14,991,325

Approved by the trustees and signed on their behalf by:



Geoffrey Scott
Trustee

Approved on: 25.3.2021

Statement of cash flows Year to 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(295,582)	(212,709)
Cash flows from investing activities:			
Investment income including rent received		149,344	178,833
Purchase of tangible fixed assets		(9,938)	—
Proceeds from the disposal of listed investments		2,537,883	4,147,159
Net cost of settlement of foreign exchange contracts		25,460	—
Purchase of listed investments		(2,592,419)	(4,089,676)
Net cash provided by investing activities		110,330	236,316
 Change in cash and cash equivalents in the year		(185,252)	23,607
 Cash and cash equivalents at 1 September 2019		576,680	553,073
 Cash and cash equivalents at 31 August 2020	B	391,428	576,680

Notes to the statement of cash flows for the year to 31 August 2020.

A Reconciliation of net movement in funds to net cash used in operating activities

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	165,571	(290,737)
Adjustments for:		
Depreciation charge	196,894	196,422
Gains on investments	(444,911)	(61,370)
Investment income including rent receivable	(148,448)	(177,969)
Increase in stocks	(2,134)	(2,170)
(Increase) decrease in debtors	(51,348)	126,718
Decrease in creditors	(11,206)	(3,603)
Net cash used in operating activities	(295,582)	(212,709)

B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	112,268	162,929
Cash held by investment managers	279,160	413,751
Total cash and cash equivalents	391,428	576,680

Principal accounting policies Year to 31 August 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 August 2020 with comparative information provided in respect to the year to 31 August 2019.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ assessing the probability of the receipt of legacy income and estimating the amount to be received;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ estimating the fair value of investment properties;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the retirement fund; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

Assessment of going concern (continued)

Since March 2020, the Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

The full impact on the charity's income and expenditure and financial position following the emergence of the global Covid-19 pandemic is still unknown. However, the trustees do not consider that there will be any material impact on income or expenditure and, therefore, on the charity's financial position.

The charity's income has been impacted due to the need to temporarily cease offering retreats and hospitality to other visitors to the Abbey. However, there have been compensating falls in related expenditure and the charity has also been able to take advantage of grants from the government's Coronavirus Job Retention Scheme to offset the cost of salaries for staff that have been furloughed. Whilst donations have fallen, the drop has not been significant. Investment income will continue to be affected because of falls in dividends as investment markets and the corporate sector, in particular, react to the economic difficulties caused by the pandemic.

Throughout the pandemic, the trustees have kept, and will continue to keep, all income and expenditure under review. Whilst there will undoubtedly be challenges ahead, the trustees do not expect concerns to arise over the charity's financial position. Therefore, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2021, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, investment income, income from the sale of books and artefacts, income from retreats and visitors and other income including the surplus on disposal of land and tangible fixed assets.

Income recognition (continued)

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Investment income is recognised once the dividend or equivalent has been declared and notification has been received of the amount due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from the sale of books and artefacts and from retreats and other visitors is measured at fair value of the consideration received or receivable, excluding discounts.

Any surplus (or deficit) on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and investment property costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable donations and grants, costs in respect to the support of members of the Congregation and enabling their ministry, including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

a. Functional freehold property

Freehold properties used for the direct charitable work of the charity are included in these accounts at an estimate of their historic cost as determined by the trustees.

Due to its historic nature, the Abbey is depreciated at a rate of 1% per annum on a straight line basis.

Other functional freehold properties are depreciated at a rate of 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

b. Other tangible fixed assets

Plant and other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Plant, furniture and equipment – 5% to 20% per annum based on cost
- ◆ Motor vehicles – 25% per annum based on cost

Other tangible fixed assets which have been fully depreciated are written out of the accounts as their net realisable value is considered to be negligible.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Management of the charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Properties held for investment purposes are included in these accounts at open market value. Investment properties were last re-valued on 2 December 2020 on an open market basis by Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuation Standards (the 'Red Book'). The trustees are of the view that this valuation is not materially different from the value of the properties at 31 August 2020 and hence it has been incorporated into these accounts.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Services provided by members of the Community

For the purposes of these accounts, no value has been placed on administration and other services provided by the members of the Community.

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1 Income from: Donations and legacies

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Donations	20,447	29,493	49,940	33,256	90,534	123,790
Legacies	36,415	—	36,415	5,536	—	5,536
Collections and offertory	44,093	—	44,093	49,901	—	49,901
Amount receivable from parishes administered by Douai Abbey	55,078	—	55,078	61,795	—	61,795
Pensions and other income of individual religious received under deed of covenant	72,439	—	72,439	75,339	—	75,339
Total funds	228,472	29,493	257,965	225,827	90,534	316,361

2 Income from: Charitable activities

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Sales of religious books and artefacts	9,031	—	9,031	11,696	—	11,696
Retreat house and related income	112,505	—	112,505	155,146	—	155,146
Other	6,143	—	6,143	7,140	—	7,140
Total funds	127,679	—	127,679	173,982	—	173,982

3 Income from: Other trading activities

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Visitors for non-religious purposes	9,437	—	9,437	28,389	—	28,389
Other	1,451	—	1,451	1,700	—	1,700
Total funds	10,888	—	10,888	30,089	—	30,089

4 Income from: Investments and interest receivable

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Income from listed investments and National Savings Bonds						
. UK equities	7,844	—	7,844	11,812	—	11,812
. Overseas equities	25,029	—	25,029	33,942	—	33,942
. Government bonds	6,577	—	6,577	6,180	—	6,180
. Income bonds	—	—	—	3,692	—	3,692
	39,450	—	39,450	55,626	—	55,626
Income from investment property						
. Rental income	108,476	—	108,476	119,321	—	119,321
Interest receivable	522	—	522	3,022	—	3,022
Total funds	148,448	—	148,448	177,969	—	177,969

5 Expenditure on: Raising funds

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Investment property expenses	7,806	—	7,806	11,637	—	11,637
Investment manager's fees	50,074	—	50,074	51,227	—	51,227
Other	1,901	—	1,901	1,905	—	1,905
Total funds	59,781	—	59,781	64,769	—	64,769

6 Expenditure on: Support of members of the Community and their ministry

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Staff costs (exc. pastoral activities)	184,161	—	184,161	150,108	—	150,108
Depreciation	196,894	—	196,894	196,422	—	196,422
Living and personal costs	145,853	—	145,853	151,175	—	151,175
Premises	183,755	2,256	186,011	186,083	76,111	262,194
Pastoral activities (inc. staff costs)	85,322	333	85,655	139,015	1,675	140,690
Governance (note 7)	29,826	—	29,826	84,881	—	84,881
Donations (note 8)	3,235	—	3,235	5,016	—	5,016
Other	9,778	—	9,778	8,099	—	8,099
Total funds	838,824	2,589	841,413	920,799	77,786	998,585

There have been some changes to the allocation of staff costs in 2020 as a result of the Covid-19 pandemic which has affected the amount allocated to pastoral activities.

7 Governance

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Professional fees	4,915	—	4,915	5,115	—	5,115
Legal fees	14,411	—	14,411	69,326	—	69,326
Auditor's remuneration	10,500	—	10,500	10,440	—	10,440
Total funds	29,826	—	29,826	84,881	—	84,881

Legal fees above consist of amounts paid to Kingsley Napley LLP, the legal firm chosen to represent the Roman Catholic English Benedictine Congregation as a whole together with many of the autonomous monasteries, including Douai Abbey, at the Independent Inquiry into Child Sexual Abuse.

8 Donations

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Aid to the Church in Need	—	—	—	1,000	—	1,000
Voluntary Service Overseas	—	—	—	1,000	—	1,000
Prisoners of Conscience	—	—	—	1,000	—	1,000
Providence Law	—	—	—	1,000	—	1,000
Missio	—	—	—	1,000	—	1,000
Donations of less than £1,000 each	3,235	—	3,235	16	—	16
Total funds	3,235	—	3,235	5,016	—	5,016

9 Net (expenditure) income before gains on investments and transfers

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Staff costs (note 10)	220,411	—	220,411	236,817	—	236,817
Auditor's remuneration						
. Statutory audit services	10,500	—	10,500	10,440	—	10,440
Depreciation	196,894	—	196,894	196,422	—	196,422

10 Employees and staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	200,352	214,522
Social security costs	13,185	15,205
Other pension costs	6,874	7,090
	220,411	236,817

No employee earned in excess of £60,000 per annum (including taxable benefits) or more during the year (2019 – none).

The average number of employees during the period was 17 (2019 – 14).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the Bursar. They received no remuneration or reimbursement of expenses in connection with their duties during the year (2019 – £nil).

11 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Community and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Community, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2019 – none).

As members of the Community, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £18,561 (2019 – £17,504).

12 Taxation

Douai Abbey Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities or tax on capital gains, as it falls within the various exemptions available to registered charities.

13 Tangible fixed assets

	Freehold land and buildings £	Plant, furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2019	9,347,196	252,879	19,095	9,619,170
Additions	—	9,938	—	9,938
At 31 August 2020	9,347,196	262,817	19,095	9,629,108
Depreciation				
At 1 September 2019	2,575,751	124,133	11,964	2,711,848
Charge for year	171,410	21,998	3,486	196,894
At 31 August 2020	2,747,161	146,131	15,450	2,908,742
Net book values				
At 31 August 2020	6,600,035	116,686	3,645	6,720,366
At 31 August 2019	6,771,445	128,746	7,130	6,907,322

As permitted under FRS 102, the charity has adopted a policy of not revaluing its tangible fixed assets. Tangible fixed assets are stated at cost. Where a valuation has been used in periods prior to the implementation of FRS102, this has been taken to be deemed cost under the transitional arrangements of FRS 102.

It is likely that there are material differences between the open market values of the charity's freehold land and buildings and their book values. These arise from the specialised nature of some of the properties and the effects of inflation. The amounts of such differences cannot be ascertained without incurring significant cost, which, in the opinion of the trustees, is not justified in terms of the benefits to the users of the accounts.

14 Fixed asset investments

At 31 August 2020 fixed asset investments comprised:

	2020 £	2019 £
Freehold investment property (see a below)	3,342,500	3,245,000
Listed investments and cash held for re-investment (see b below)	4,915,503	4,609,861
Foreign exchange contracts (see c below)	11,253	—
National Savings Bonds (see d below)	—	75,000
	8,269,256	7,929,861

Movements on each category of investment are summarised below.

a. Freehold investment property

	2020 £	2019 £
Market value at 1 September 2019	3,245,000	3,245,000
Revaluation gains in the year	97,500	—
Market value at 31 August 2020	3,342,500	3,245,000

The investment properties were purchased many years ago and accurate cost figures for the properties are not available without considerable research. The trustees are of the opinion that the cost and time involved in such an exercise is not commensurate with the value to be obtained from ascertaining such information.

The charity's freehold investment properties were re-valued on 2 December 2020. The valuations were determined on an open market basis on behalf of Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuations Standards (the "Red Book"). The trustees are of the view that this valuation is not materially different from the value of the properties at 31 August 2020 and hence it has been incorporated into these accounts.

b. Listed investments and cash held for re-investment

	2020 £	2019 £
Listed investments		
Market value at 1 September 2019	4,196,110	4,192,223
Additions at cost	2,592,418	4,089,676
Disposals at book value (proceeds: £2,462,883, gains: £34,300)	(2,428,583)	(4,143,633)
Net unrealised investment gains	276,398	57,844
Market value at 31 August 2020	4,636,343	4,196,110
Cash held by investment managers for re-investment	279,160	413,751
	4,915,503	4,609,861
Cost of listed investments at 31 August 2020	4,683,973	4,199,045

All listed investments were dealt in on recognised stock exchanges.

14 Fixed asset investments (continued)

b. Listed investments and cash held for re-investment (continued)

Listed investments held at 31 August 2020 comprised the following:

	2020 £	2019 £
UK equities	413,999	163,442
Overseas equities	1,246,188	1,781,871
Government bonds	1,759,741	1,901,423
Alternatives	1,227,669	349,374
	4,647,597	4,196,110

At 31 August 2020, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Market value £	Percentage %
LE Ruffer Gold	453,686	9%
Ruffer Illiquid Multi Strategies Fund 2015 Limited	353,929	7%
Ruffer SICAV Fixed Income Z GBP Cap	1,146,294	23%

c. Gains on foreign exchange contracts for the year ended 31 December 2020 consisted of the following:

	2020 £
Foreign exchange contracts	
Fair value gain on settlement	36,713
Fair value gain on unsettled contracts	11,253
Total gain on foreign exchange contracts	47,966

d. National savings bonds of £75,000 were redeemed in the year and the funds reinvested in the portfolio managed by Ruffers.

15 Debtors

	2020 £	2019 £
Investment income and interest receivable	935	1,830
Gift Aid recoverable	10,589	11,193
Prepayments	1,638	1,638
Legacy receivable	31,415	—
Other debtors and accrued income	27,119	6,582
	71,696	21,243

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Expense creditors and accruals	27,133	23,034
Retreat and visitor income received in advance	3,245	14,379
VAT payable	4,209	8,380
	34,587	45,793

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 September 2019 £	Income £	Expenditure £	Transfers £	At 31 August 2020 £
Library Archives Fund	98,749	19,393	(2,589)	—	115,553
Stained glass window fund	—	10,100	—	(10,100)	—
Other restricted fund	946	—	—	—	946
	99,695	29,493	(2,589)	(10,100)	116,499

	At 1 September 2018 £	Income £	Expenditure £	At 31 August 2019 £
Library Archives Fund	86,001	14,423	(1,675)	98,749
Stained glass window fund	—	76,111	(76,111)	—
Other restricted fund	946	—	—	946
	86,947	90,534	(77,786)	99,695

The specific purposes for which the funds are to be applied are as follows:

- ◆ **Library Archives Fund**
This fund represents monies received specifically for the development of an archives database at the library, the maintenance of the archive, and the employment of a cataloguer.
- ◆ **Stained glass window fund**
This fund represented monies received specifically for the repair of the Abbey stained glass window which was damaged during a storm in November 2018. The transfer of £10,100 from the stained glass window fund to unrestricted funds in 2019/20 represents the application of donations received in that years to reimburse unrestricted funds for expenditure incurred in 2018/19.
- ◆ **Other restricted fund**
This fund represents monies received for one off specific purposes.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 September 2019 £	New designations £	Utilised/ released £	At 31 August 2020 £
Retirement reserve	4,150,000	—	—	4,150,000
Property improvement and maintenance fund	450,000	—	—	450,000
	4,600,000	—	—	4,600,000

	At 1 September 2018 £	New designations £	Utilised/ released £	At 31 August 2019 £
Retirement reserve	4,150,000	—	—	4,150,000
Property improvement and maintenance fund	450,000	—	—	450,000
	4,600,000	—	—	4,600,000

The retirement reserve represents monies designated by the trustees to provide for the members of the Community in their retirement. It has been calculated using actuarial principles and will be reviewed regularly by the trustees in the light of the resources available and likely to be required.

The property improvement and maintenance fund comprises monies set aside for future work on the charity's freehold properties.

19 Tangible fixed assets fund

	£
At 1 September 2019	6,907,322
Movement in year	(186,956)
At 31 August 2020	6,720,366

	£
At 1 September 2018	7,103,744
Movement in year	(196,422)
At 31 August 2019	6,907,322

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets and has been set up in recognition of the fact that the assets are required for the day-to-day work of the charity and are not available to finance current expenditure or meet contingencies.

20 Analysis of net assets between funds

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2020 £
Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	—	—	6,720,366	—	6,720,366
Investments	3,669,256	4,600,000	—	—	8,269,256
Net current assets	50,775	—	—	116,499	167,274
Total net assets	3,720,031	4,600,000	6,720,366	116,499	15,156,896

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2019 £
Fund balances at 31 August 2019 are represented by:					
Tangible fixed assets	—	—	6,907,322	—	6,907,322
Investments	3,329,861	4,600,000	—	—	7,929,861
Net current assets	54,447	—	—	99,695	154,142
Total net assets	3,384,308	4,600,000	6,907,322	99,695	14,991,325

The total unrealised gains as at 31 August 2020 constitute movements on revaluation and are as follows:

	2020 £	2019 £
Unrealised gains (losses) included above:		
On investment properties	742,500	645,000
On listed investments	243,826	(2,935)
Total unrealised gains at 31 August 2020	986,326	642,065
 Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2019	642,065	648,140
Less: in respect of disposals in the year	(29,636)	(63,919)
	612,429	584,221
Add: net gains arising on revaluation arising in the year	276,397	57,844
Add: gains arising on investment property revaluation in the year	97,500	—
Total unrealised gains at 31 August 2020	986,326	642,065

21 Related party transactions

The Douai Abbey Trust is connected to the Douai Abbey Parishes Trust (Charity Registration Number: 1063237) by virtue of the fact that both charities have a number of trustees in common.

21 Related party transactions (continued)

During the year rent of £12,000 (2019 – £12,000) for the use of St Mary's Church was received by Douai Abbey Trust from Douai Abbey Parishes Trust. A contribution of £6,269 was received from St Mary's Church towards the new boiler expended in 2020, after the year end, this amount was accrued as income.

During the year the trustees signed a loan agreement with the four other members of Douai Abbey Parishes Trust to loan funds to Our Lady and St Joseph's Church Alcester. The amount agreed to be loaned by Douai Abbey Trust was £20,000. At 31 August 2020 the loan had not been drawn down.

During 2019 a restricted donation of £10,000 was received by Douai Abbey Trust from St Mary's Priory Fernham Residual Fund (Charity Registration Number: 229393) for the repair of the stained glass window in the Abbey Church. The Abbot is a trustee of both entities.

Other than the donations received by trustees disclosed in note 10 to these accounts, there were no other related party transactions during the year which require disclosure (2019 – none).