

REGISTERED COMPANY NUMBER 09806062 (ENGLAND AND WALES)
REGISTERED CHARITY NUMBER: 1165957



REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
ST MARY'S ABBEY, QUARR



Rothmans LLP
Chartered Accountants
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ST MARY'S ABBEY, QUARR
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FOR THE YEAR ENDED 31 DECEMBER 2020

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ST MARY'S ABBEY, QUARR
FORWARD
FOR THE YEAR ENDED 31 DECEMBER 2020

It is the privilege of old institutions, like our monastic community which looks back to nearly nine centuries of monastic identity on the site of Quarr, to approach times of crisis with some hindsight, and hopefully some wisdom. The way the Coronavirus crisis affected our local circumstances can therefore be gauged in a nuanced way.

On the one hand, the two lock-downs of 2020, by enforcing the closure of most of our commercial activities and even for a while of our church, have contributed to create on the whole site a quality of silence and retreat which are core monastic values. At the same time, the primordial mission of the monastic community, which is to offer an uninterrupted tribute of praise to God and a constant intercession for the world, has been forcefully affirmed. The monastic art of living within an enclosure with limited human contacts has been a source of inspiration for many. Two of us contributed to a website (www.alonetogether.org.uk) where monastic experience was shared with a wider public. There has also been signs of interest in the monastic way of life and we could host two internship programmes, one of the interns expressing the desire to join us in the near future. Our grounds have continued to be much visited, as soon as the regulations made it possible, which is a sign of the need of many around us for peace, security and spiritual support.

On the other hand, however, we could not help being struck by the negative impact of the pandemic on our society at large and on the members of our staff and their families, as well as on the wider circle of our Friends and Oblates. Moreover, the financial consequences of this crisis could have been potentially devastating, if it had not been for the help of the government through the Furlough plan and the grants of the local Council.

Concerts, retreat days, tours, meeting of the Friends of Quarr, reunion of our Oblates had all to be cancelled. We had to close the guest-house – where we usually host around 600 guests per year for a stay of between one day to a fortnight. The greatest celebrations of the liturgical year had to be done behind closed doors – probably for the first time since penal times.

On the whole, nevertheless, we are grateful that our Charity has managed to weather the storm reasonably well, which is also due to the support of faithful donors and the generous commitment of the members of our staff. It remains that the economic impact of Coronavirus on our tourism orientated economy could be fatal if prolonged. This has led us to reflect seriously on a diversification of our income sources. We have been working on a new website with better interactivity and also offering such facilities as online shopping and online donations. Contactless donations have been introduced on site. We have improved our presence and following on social media. Other options are still being considered.

Whilst the big works of maintenance of our buildings had to be put on halt, the Friends of Quarr managed to deliver the project of resurfacing the paths leading from the Abbey Church to the Visitors Centre. These now offer a much easier access to visitors with walking difficulties. The completion ceremony took place in the presence of the Lord Lieutenant of the Isle of Wight, although obviously with very limited attendance.

As the pandemic continues to bring challenges and fears to our activities and to the society at large, the Trustees are committed to a close examination of all the ways the Abbey can continue its core spiritual mission, make a contribution to the local community, and welcome safely a great number of visitors. At the same time as they try to keep a tight management of their commercial activities, they are working hard at building the necessary network for the serious fund-raising which is needed for the upkeep and maintenance of the two abbeys – the medieval ruins, and the Georgian and early 20th century buildings.

It remains our hope – and a challenge which we embrace with joy – that the Abbey will be able to make the most of the present difficult times in order to reinforce its core spiritual identity and the manifold service it renders to each of its visitors, guests and friends, as well as to the wider community.

Fr Xavier, Quarr Abbey

ST MARY'S ABBEY, QUARR
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Charitable objects, aims and intended impact

The principal objects of St Mary's Abbey, Quarr ("The Abbey") are the maintenance of worship in the Abbey Church and of the resident Benedictine Community; and the promotion of the Catholic faith for the benefit of the public through carrying out spiritual duties in the community including the giving of retreats.

The Abbey generates its main commercial income through the successful operation of an Art gallery, Tea Shop, Farm Shop, Monastery Shop and Bookbindery; all of which are popular with the local Island population as well as tourists and provide a steady income for the Abbey.

The central aim of the Abbey's commercial and financial plans is to achieve the long term sustainability of the Abbey and its operations where, each year, expenditure is balanced with income.

During the year, the Abbey received further restricted and unrestricted donations and these were used towards meeting the cost of specific projects and the running costs of the Abbey. The Abbey also received income from the production and licensing of Quarr Abbey products.

Objectives for the year

The following core objectives will continue to be the prime focus for the management team during the year:

- Updating and reviewing the medium term financial framework for the Abbey.
- Identifying additional financial opportunities and savings to support the financial sustainability of the Abbey.
- Raising new funds, through planned programme of fund raising targeting specific and urgent projects, for the maintenance and refurbishment of the Church and its buildings.
- Monitoring the on-going expenditure on various projects, to ensure that expenditure stays within budget and the approved purposes are met.
- Examining further measures and marketing strategy to ensure The Abbey's commercial activities produce a profit and building the business in the quieter months.

Strategy for achieving objectives

To enable The Abbey to maintain the momentum of progress made in recent years the following strategies are considered key:

- Maintaining a strong management team through successful recruitment of the right candidates and a comprehensive succession plan including monks, professional employees, and external advisors.
- Supporting the fund raising activities established by the "Friends of Quarr".
- Maintaining a marketing plan for the Book Bindery.
- Continue with a vibrant marketing plan targeted to key audiences with a focus on digital and social marketing campaigns and selected print marketing in the Island Visitor magazine and direct marketing to island residents through regional and Island focussed publications to support business enterprises and visitors to the Abbey grounds.
- Regular management review of financial and commercial performance.

Significant activities contributing to achievement of objectives

Significant activities that will further contribute to the financial growth at The Abbey include the following:

- Examine measures and financial viability for the relocation of the farm shop to a permanent location as a standalone business from the tea shop

ST MARY'S ABBEY, QUARR
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES (Continued...)

Significant activities contributing to achievement of objectives (Continued...)

- Examine measures to increase covers outside for the tea shop in shoulder and winter seasons.
- Review of opening hours and menu offer during the shoulder season for the tea shop.
- The training and development of the Management Team in effective budget management and commercial performance.
- Increase in the use of social media to meet new audiences who are interested in Quarr Abbey and gaining an audience that we can communicate with on a regular basis.
- Development of schemes to produce increased quantities of Abbey grown produce that are to be incorporated in Quarr Abbey branded products such as beer, cider, apple juice, confectionery, jams, chutneys, stationary and branded product.
- Continue to update the Website, to include relevant articles on the Abbey and its produce; together with the wider site which will serve to provide interest and information to the wider community.

Public benefit

The trustees confirm that they have complied with the duty in s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. This includes the additional guidance for charities on the advancement of religion, in deciding what activities the charity should undertake, in line with its aims and objectives.

The Abbey promotes public benefit through the provision of a place of worship and a guesthouse which is used for the purpose of religious retreats. They are open to members of the public who wish to explore and seek time to reflect. To facilitate this, the community carry out spiritual duties and undertake the preservation of the historic Abbey buildings and ruins. Monks also conduct retreats elsewhere to other communities and groups. A Theological Conference Series takes place annually given by noted experts in the fields of Theology and Philosophy. A two-month Intern Program is in place for young men (aged between 18 and 25). The Friends of Quarr also organise regular day- retreats each year. Organ Recitals take place annually with the performance of religious music by noted organists.

While the Tea Shop serves to support the Abbey commercially it is also a vital part of providing hospitality to visitors with careful consideration given to its operation to reflect the tradition of hospitality within the Rule of St. Benedict. The grounds and the tea garden are used by many local and island visitors as a place of calm and wellbeing.

ACHIEVEMENT AND PERFORMANCE

Review of Developments

The community of Quarr Abbey seeks to remain faithful to its ideals according to the way of life laid down in its Rules and Constitution.

The community of monks and the monastery play an important role in the spiritual, social and educational life of the Isle of Wight. Many visitors from all over the world visit the monastery, recognising it as a place of prayer, peace and tranquillity.

In 2020, the community of monks at Quarr supported their spiritual aims by improving the Abbey's long-term financial and commercial performance through the following:

- A coffee table book of photos of the Abbey is being produced by the community.
- Various intellectual pursuits are being carried out by the community including writing and translating books and articles. Two of the monks have published books this year.
- New choir books are being produced to enhance the celebration of our liturgies.
- The priests of the community were able assist St Cecilia's Abbey with the celebration of masses during the lockdowns.
- The Guesthouse was able to be open for part of the time with very restricted numbers due to the pandemic.
- The launch of a new donations board for fundraising including a contactless donation point.
- The launch of a new website to reach a wider audience both spiritually and those wishing to visit the Abbey.

ST MARY'S ABBEY, QUARR
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Review of Developments (Continued...)

- The refurbishment of St. Radigans property was completed.
- The internal refurbishment of Marymead House was completed by our in house team and rented to new tenants.
- A new Quarr Abbey brand was launched. This will ensure a consistent approach across all print, signage and media and continue to build brand identity for marketing and fundraising purposes.
- Completed a new layout of the Tea shop to allow a bigger counter space and working area for the staff and introduction of new elements to the menu.
- Launched Quarr Abbey gift vouchers for use in the Tea Shop, Farm shop and Monastery shop.
- Resourced new packaging materials for use in the Tea Shop and Farm Shop as part of the work to lessen our environmental impact.
- The Friends of Quarr Pathways Project to improve disabled access to the church and courtyards was successfully completed and opened by the Lord Lieutenant.
- Despite the lockdowns and restrictions around the Covid-19 virus, the businesses were able to open at least for parts of the year with all the relevant health and safety procedures in place.
- An outdoor Harvest Festival Service was successfully organised. Also an outdoor Carol Service was organised.
- The Isle of Wight Beekeepers continued with the management of the Abbey's hives and teaching Apiary.
- Historic England grant monies enabled us to undertake a hydrological survey in the Ruins area to better ascertain the flow of water from further upstream and how this may affect the ruins and their foundations. This knowledge will assist in our applications for future grant funding. Archaeological work is planned for next year from monies of the same grant.
- The Labourer position was re-advertised and we recruited a new team member to help across the Gardens and Works Departments.
- Through negotiation, prices were fixed for roofing materials to carry out future planned projects that were planned for 2020 but had been postponed due to Covid-19.

Grants and donations

The trustees wish to express their gratitude to the individuals and organisations who have made donations and grants to the Abbey during the year. In particular, the trustees acknowledge the following:

- Furlough for Quarr Abbey received £33,271
- Furlough for Quarr Abbey enterprises received £32,303
- Covid support grants from Isle of Wight Council £18,216
- Fondation des Monasteres, France £4,077
- Friends of Quarr £18,618

ST MARY'S ABBEY, QUARR
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW AND RESERVES POLICY

During the year The Abbey received income of £597,360. The main source of income continued to be the Abbey's commercial operation generating income of £303,390; £286,241 of which represents sales in the Tea Shop, Farm Shop and Abbey Shop operated by the charity's subsidiary Quarr Abbey Enterprises Limited. The Abbey received donations, legacies and grants totalling £190,835, in addition to this £20,843 in donations were received from guests staying in the Abbey's guesthouse.

Expenditure for the year totalled £853,145. Of this £485,513 related to the general upkeep of the Abbey and its Community and £335,960 to the costs of the commercial operations.

After taking into account the loss on the revaluation of the Abbey's investment portfolio the charity had net expenditure for the year of £321,934.

The Abbey's funds totalling £1,691,182 are divided between unrestricted and restricted funds and are mainly comprised of tangible fixed assets and its investment portfolio.

At 31 December 2020 the investment portfolio was valued at £929,951 and the book value of tangible fixed assets was £609,292.

Reserves policy

It is the trustees' policy to retain reserves to ensure that the charity's day to day commitments for the ongoing costs of the upkeep of the Abbey and its community can be met.

As the charity is dependent on income from donations, legacies and investment income, the timing and amount of which is variable in nature, the trustees consider that reserves should be sufficient to cover 9 to 12 months of these costs. In addition, reserves are held to cover the significant costs of ongoing maintenance and refurbishment programmes which continue to be required on the Abbey and its buildings. In reviewing the level of reserves the trustees are mindful of the requirements of the Congregation of Solesmes.

The charity's reserves consist of its unrestricted funds, which are not comprised of fixed assets, designated funds or funds that are otherwise committed. The general unrestricted funds at 31 December 2020 totalled £1,411,590 of which £887,360 represents reserves.

Investment performance

The charity has a portfolio of investments, which is comprised of listed investments with a market value as at 31 December 2020 of £782,731, other unlisted investments of £116,006 and cash held for reinvestment of £31,214.

During the year the portfolio generated £25,501 of investment income, realised losses on disposals of £1,060 and a revaluation loss of £66,149.

The portfolio is managed by Charles Stanley & Company Limited, who operate within specific guidelines that are set and regularly reviewed by the trustees. The strategy is to maximise total returns, within acceptable levels of risks. Investment management charges amounted to £3,676.

The trustees expect that performance demanded by their investment policy will be achieved in the medium to long term.

Trading subsidiary

The charity has a wholly owned trading subsidiary, Quarr Abbey Enterprises Limited.

The trading company operates the tea shop, farm shop and Abbey shop and the funds that it generates to assist the charity in meeting its objectives.

Due to the impact of the pandemic and associated restrictions Quarr Abbey Enterprises Limited made a small loss for the year and was therefore unable to donate any profit to the charity in 2020.

Environmental Policy

The trustees believe that all businesses are responsible for achieving good environmental practice and operating in a sustainable manner. The board is therefore committed to reducing its environmental impact and continually improving its environmental performance as an integral and fundamental part of its business strategy and operating methods.

ST MARY'S ABBEY, QUARR
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

PLANS FOR FUTURE PERIODS

The trustees, as advised by the Finance Committee and the Abbey's management team, are continuing with a planning and costing exercise to inform them of the impact of making adjustments to the interior of the shop. Due to the increasing popularity of these facilities, the trustees wish to ensure that it has the capacity to cater for the increased number of visitors to the Quarr Estate. The following are planned to be undertaken within the next twelve months:

- Further consolidation work on the Ancient Abbey Ruins with a grant application to the World Monument Fund to support this. Introduce a 'contactless' method to facilitate further visitor donations.
- Begin again our annual Theological Conferences and bi-annual Chant Forum which were suspended this year on account of the pandemic.
- Implement an ongoing costed, budgeted, and phased maintenance plan for all Abbey buildings.
- Implement a schedule of projects for Abbey Buildings and Grounds.
- Identify, agree and complete repair works to two of our rental properties.
- Budget and plan for the implementation of measures from the ongoing review of current health and safety and fire and including the launch of the updated Health and Safety Policy for Staff and Volunteers.
- Full review and roll out of Employee Handbook.
- Complete a salary bench marking exercise for QA employees and QE management Team.
- The Quarr Abbey Volunteer Programme is now in a good position to welcome new volunteers. It is hoped that we will be able to attend events and to enable us to highlight Quarr Abbey and attract new volunteers to the Abbey. The newly designed website will also be to support these aims
- Relaunch of the explorer kit.
- Launch of a new family trail – focusing on the spiritual life of the Abbey.
- Introduce an outreach programme to schools giving work experience opportunities at the Abbey.
- Ongoing review of existing business models and make recommendations.
- Complete refurbishment of Old Abbey Farm Cottage and launch as a holiday cottage in 2022.
- Assess the feasibility for in-house production of Mead.
- Further development of Quarr abbey branded product to enhance the product offer both in the onsite shops and online.
- Continue to develop our social media presence on Instagram and Twitter and our Facebook page to 5,000 followers.
- Launch of a small online shop offer promoting the farm shop and QA product ranges.
- Increase number of covers for the teashop with additional seating, summer house, and additional dining space.
- Research to take place to gather quotes for two/three new Bio Digester waste treatment plants to be installed in the grounds of Quarr to treat waste replacing the old systems that are now obsolete.
- Enquiries to be made with the Fire Brigade as to the best way forward to put in place sources of water to assist in extinguishing a potential fire at the rear of the monastery. It is planned that these water plants could be connected.

COVID Pandemic

Since the year end the charity has been impacted by the COVID pandemic, further details are given in note 25 to these financial statements.

ST MARY'S ABBEY, QUARR
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

St Mary's Abbey, Quarr, Incorporated Charity was incorporated in England and Wales on 2 October 2015 by articles of association and is constituted by guarantee. It was subsequently registered with the Charity Commission on 9 March 2016.

Responsibility for decision making rests with the trustees; all of whom are senior members of the Benedictine Community. The trustees holding office during the period and at the date of this report are included within the reference and administrative details section of this report.

The trustees are supported in their decision making by the finance committee consisting of members of the community, professional employees and external advisors.

The Charity's governing document precludes the trustees from receiving any remuneration.

Induction and training of new trustees

New trustees are provided with a copy of the memorandum and articles of association and informed of their obligations under company and charity law. All trustees are encouraged to attend appropriate external courses which may assist them to carry out their role.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09806062 (England and Wales)

Registered Charity number

1165957

Principal address

Quarr Abbey
Ryde
Isle of Wight
PO33 4ES

Abbot and Head Trustee

Rt. R Dom Xavier Perrin

Trustees

R Dom Nicholas Spencer
R Dom Gregory Corcoran

Procurator

R Dom Brian Kelly

Secretary

R Dom Brian Kelly

Independent examiner

Rothmans LLP
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

Bankers

Lloyds Bank plc
35 Union Street
Ryde
Isle of Wight
PO33 2LH

Investment managers

Charles Stanley & Company Limited
55 Bishopsgate
London
EC2N 3AS

ST MARY'S ABBEY, QUARR
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 27 October 2021 and signed on its behalf by:

Rt Rev Dom Xavier Perrin
Abbot and Head Trustee

**INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF ST MARY'S ABBEY, QUARR
FOR THE YEAR ENDED 31 DECEMBER 2020**

Independent examiner's report to the trustees of St Mary's Abbey, Quarr ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Robin Lloyd FCA
for and on behalf of Rothmans LLP
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

29 October 2021

ST MARY'S ABBEY, QUARR
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	183,945	6,890	190,835	185,228
Charitable activities	4	20,843	-	20,843	63,051
Other trading activities	5	303,390	-	303,390	529,406
Investment income	6	74,969	-	74,969	84,819
Other	7	<u>7,323</u>	<u>-</u>	<u>7,323</u>	<u>20,621</u>
Total Income		<u>590,470</u>	<u>6,890</u>	<u>597,360</u>	<u>883,125</u>
EXPENDITURE ON					
Raising funds	8	338,938	698	339,636	472,552
Charitable activities	9	<u>490,829</u>	<u>22,680</u>	<u>513,509</u>	<u>468,271</u>
Total Expenditure		<u>829,767</u>	<u>23,378</u>	<u>853,145</u>	<u>940,823</u>
Net gains/(losses) on investments		<u>(66,149)</u>	<u>-</u>	<u>(66,149)</u>	<u>66,655</u>
NET INCOME/(EXPENDITURE)	11	<u>(305,446)</u>	<u>(16,488)</u>	<u>(321,934)</u>	<u>8,957</u>
NET MOVEMENT IN FUNDS		<u>(305,446)</u>	<u>(16,488)</u>	<u>(321,934)</u>	<u>8,957</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,717,036</u>	<u>296,080</u>	<u>2,013,116</u>	<u>2,004,159</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,411,590</u></u>	<u><u>279,592</u></u>	<u><u>1,691,182</u></u>	<u><u>2,013,116</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

ST MARY'S ABBEY, QUARR

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2020

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	16	456,465	152,827	609,292	627,985
Investments	17	<u>929,951</u>	<u>-</u>	<u>929,951</u>	<u>1,100,567</u>
		1,386,416	152,827	1,539,243	1,728,552
CURRENT ASSETS					
Stocks	18	11,832	-	11,832	15,603
Debtors	19	16,304	-	16,304	16,348
Cash at bank and in hand		<u>34,338</u>	<u>126,765</u>	<u>161,103</u>	<u>288,233</u>
		62,474	126,765	189,239	320,184
CREDITORS					
Amounts falling due within one year	20	<u>(37,300)</u>	<u>-</u>	<u>(37,300)</u>	<u>(35,620)</u>
NET CURRENT ASSETS		<u>25,174</u>	<u>126,765</u>	<u>151,939</u>	<u>284,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,411,590	279,592	1,691,182	2,013,116
NET ASSETS		<u>1,411,590</u>	<u>279,592</u>	<u>1,691,182</u>	<u>2,013,116</u>
FUNDS	22				
Unrestricted funds				1,411,590	1,717,036
Restricted funds				<u>279,592</u>	<u>296,080</u>
TOTAL FUNDS				<u>1,691,182</u>	<u>2,013,116</u>

The charitable company and group are entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company and the group to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the group keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company and group as at the end of each financial year and of the group's surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company and group.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 27 October 2021 and were signed on its behalf by:

Fr Xavier Perrin
Head Trustee and Abbot

ST MARY'S ABBEY, QUARR

BALANCE SHEET
AT 31 DECEMBER 2020

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	16	356,081	124,552	480,633	499,377
Investments	17	<u>929,953</u>	<u>-</u>	<u>929,953</u>	<u>1,100,569</u>
		1,286,034	124,552	1,410,586	1,599,946
CURRENT ASSETS					
Stocks	18	5,700	-	5,700	6,250
Debtors	19	141,008	-	141,008	132,892
Cash at bank and in hand		<u>6,977</u>	<u>126,765</u>	<u>133,742</u>	<u>274,437</u>
		153,685	126,765	280,450	413,579
CREDITORS					
Amounts falling due within one year	20	<u>(17,081)</u>	<u>-</u>	<u>(17,081)</u>	<u>(18,573)</u>
NET CURRENT ASSETS		<u>136,604</u>	<u>126,765</u>	<u>263,369</u>	<u>395,006</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,422,638	251,317	1,673,955	1,994,952
NET ASSETS		<u>1,422,638</u>	<u>251,317</u>	<u>1,673,955</u>	<u>1,994,952</u>
FUNDS	22				
Unrestricted funds				1,422,638	1,727,845
Restricted funds				<u>251,317</u>	<u>267,107</u>
TOTAL FUNDS				<u>1,673,955</u>	<u>1,994,952</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 27 October 2021 and were signed on its behalf by:

Fr Xavier Perrin
Head Trustee and Abbot

ST MARY'S ABBEY, QUARR

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 £	2019 £
Cash flows from operating activities:	Notes		
Cash generated from operations	1	<u>(282,186)</u>	<u>(70,467)</u>
Net cash provided by (used in) operating activities		<u>(282,186)</u>	<u>(70,467)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(23,807)	(128,169)
Sale of tangible fixed assets		4,032	-
Sale of investments		100,000	-
Investment income received		<u>74,831</u>	<u>84,819</u>
Net cash provided by (used in) investing activities		<u>155,056</u>	<u>(43,350)</u>
Change in cash and cash equivalents in the reporting period		(127,130)	(113,817)
Cash and cash equivalents at the beginning of the reporting period		<u>288,233</u>	<u>402,050</u>
Cash and cash equivalents at the end of the reporting period		<u><u>161,103</u></u>	<u><u>288,233</u></u>

ST MARY'S ABBEY, QUARR

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(321,934)	8,957
Adjustments for:		
Depreciation charges	42,500	40,543
Profit on disposal of fixed assets	(4,032)	-
Change in market value of investments	66,149	(66,655)
Realised (gains)/losses on the disposal of investments	1,060	(13,069)
Investment managers fees	3,676	4,935
Investment income	(74,969)	(84,819)
Decrease/(Increase) in stock	3,771	799
Decrease/(Increase) in debtors	(184)	35,440
Increase/(Decrease) in creditors	1,777	3,402
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	<u>(282,186)</u>	<u>(70,467)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net Cash			
Cash at bank and in hand	288,233	(127,130)	161,103
	<hr/>	<hr/>	<hr/>
Total	<u>288,233</u>	<u>(127,130)</u>	<u>161,103</u>

ST MARY'S ABBEY, QUARR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. CHARITY INFORMATION

St Mary's Abbey, Quarr, an Incorporated Charity, was incorporated in England and Wales on 2 October 2015 by articles of association and is constituted by guarantee. The registered company number is 09806062.

The registered address of the charity is Quarr Abbey, Ryde, Isle of Wight, PO33 4ES.

Quarr Abbey is registered as a charity with Charity Commission under registration number 1165957.

The principal activity of Quarr Abbey is the upkeep of the Abbey and its Community.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The trustees consider that there are no material uncertainties about the charities ability to continue as a going concern.

The presentation currency used in the financial statements is £ sterling.

Parent Charity disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions:

- No Cash flow statement has been presented for the parent charity;
- Disclosures in respect of the parent charity's financial instruments have not been presented as equivalent disclosures are included in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent charity as their remuneration is included in the totals for the group as a whole

Group financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Quarr Abbey Enterprises Limited on a line-by-line basis. Intercompany transactions and balances between the two entities have been eliminated in full.

A separate Statement of Financial Activities for the charity has not been presented in full, summary information is provided in note 15.

In accordance with the transitional exemptions available in FRS 102, the group has chosen not to retrospectively apply the standard to the business combinations that occurred before the date of transition.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - Continued

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income is the amount derived from ordinary activities and stated after any discounts and is net of VAT.

a) Grants

Income from grants is recognised, using the performance model, when the charity has entitlement to the funds, any performance conditions attached to the grant have been satisfied, receipt of the income is probable and the amount can be measured reliably.

b) Donations

Income from donations is recognised on receipt. Except where the donation includes terms and conditions, in which case income is recognised once any performance conditions attached to the donation have been satisfied.

c) Legacies

Income from legacies is recognised when the charity is aware that there has been grant of probate, notification has been received from the executors that a distribution will be made and any conditions attached to the legacy have been satisfied. Where the charity has been notified of a legacy but there is uncertainty to the amount of the payment the legacy, is treated as a contingent asset.

d) Sale of goods and refreshments

Income from goods and refreshments sold through the trading subsidiary is recognised on the supply of good to the buyer and the income from the sale and cost of the goods sold can be measured reliably and income is probable.

e) Investment income

Income from funds held on deposit is recognised when receivable and the amount can be measured reliably by the charity.

f) Covenanted pensions

Covenanted pensions are pensions receivable by members of the community which they pay to the charity under deed of covenant. Covenanted pensions are recognised when receivable and the amount can be measured reliably by the charity.

g) Guesthouse takings

Guesthouse takings are donations made by guest for using the guesthouse facilities. Income is recognised on receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include personnel, finance, administrative and governance costs which support the operation of the charity and its activities. These costs are allocated between the costs of charitable activities and raising funds. Further details of support costs are provided in note 10.

Services provided by members of the community

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

Investments in subsidiaries

Investments in subsidiaries are included at cost less impairment.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - Continued

Other Investments

Listed investments are included at their market value. Realised and unrealised gains and losses are recognised in the statement of financial activities in the year in which they arise.

Unlisted investments are included at cost less impairment.

Tangible fixed assets

All tangible fixed assets are initially recognised at cost. Individual tangible fixed assets costing £500 or more are capitalised and are depreciated over their estimated economic lives on a straight line basis. Lower amounts are expensed in the year of purchase

Depreciation is provided at the following annual rates:

Freehold property	2%
Motor vehicles	20%
Furniture and equipment	20%

Stocks

Stocks representing goods held for sale by the trading subsidiary are measured at the lower of cost and the estimated selling price less costs to sell.

Creditors

Creditors are recognised where the charity has a present obligation resulting from past events that will probably result in the transfer of funds to a third party and the amount to be settled can be measured or estimated reliably.

Financial instruments

The charity only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and debt instruments are subsequently measured at amortised cost.

Loan to subsidiary company

The Charity accounts for a loan to its subsidiary trading company as a concessionary loan. The loan is initially measured at the amount paid with the balance being adjusted each year for the interest which has accrued.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Judgements in applying accounting policies

In preparing these financial statements the trustees have made the following judgements:

- Determining whether income is restricted or unrestricted. These decisions depend upon the whether the donor has given the income subject to certain terms or conditions which impose a restriction in trust law.
- Determining the allocation of support costs to activities. These decisions depend upon the whether the costs can be directly attributed to an activity or shared between specific activities. The balance of costs is apportioned between the activities.

Key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful economic lives taking into account residual values, where appropriate. The actual lives of the assets and residual values may vary depending on a number of factors. Factors affecting the lives of assets include technological innovation and maintenance programmes.

3. DONATIONS AND LEGACIES

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 £
Donations	50,569	6,890	57,459	99,101
Legacies	-	-	-	14,891
Grants	102,582	-	102,582	19,500
Mass offerings	5,650	-	5,650	27,403
Covenanted pensions	25,144	-	25,144	24,333
	<u>183,945</u>	<u>6,890</u>	<u>190,835</u>	<u>185,228</u>

ST MARY'S ABBEY, QUARR

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. DONATIONS AND LEGACIES – Continued

Grants received, included in the above, are as follows:

	2019	2019	2020	2019
	Unrestricted	Restricted	Total	
	£	£	£	£
Conservation of the Abbey ruins	-	-	-	19,500
Isle of Wight Council - Nammet Room	4,000	-	4,000	-
Listed Places of Worship	6,792	-	6,792	-
Job Retention Scheme grants	65,574	-	65,574	-
Isle of Wight Council Covid support	18,216	-	18,216	-
Foundation of Grant Masses	8,000	-	8,000	-
	<u>102,582</u>	<u>-</u>	<u>102,582</u>	<u>19,500</u>

Included in donations is an amount of £2,890 (2019: £8,216) raised by the Friends of Quarr on behalf of the charity.

4. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Guesthouse takings	<u>20,843</u>	<u>63,051</u>
	<u>20,843</u>	<u>63,051</u>

5. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Sales of Quarr Abbey products	10,257	32,089
Tea shop and farm shop	258,882	438,467
Abbey shop	27,359	44,937
Art at Quarr	<u>6,892</u>	<u>13,913</u>
	<u>303,390</u>	<u>529,406</u>

6. INVESTMENT INCOME

	2020	2019
	£	£
Investment portfolio income	25,501	33,281
Rental income	47,727	48,133
Interest receivable	<u>1,741</u>	<u>3,405</u>
	<u>74,969</u>	<u>84,819</u>

7. OTHER INCOME

	2020	2019
	£	£
Miscellaneous income	8,383	7,552
(Loss)/profit on sale of investments	<u>(1,060)</u>	<u>13,069</u>
	<u>7,323</u>	<u>20,621</u>

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

8. RAISING FUNDS

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 £
Raising funds				
Investment management fees	3,676	-	3,676	4,935
Trading: Cost of sales and other costs				
Cost of Quarr Abbey products	7,111	-	7,111	13,007
Cost of sales	134,081	-	134,081	197,317
Repairs, maintenance and cleaning	14,995	-	14,995	17,295
Public relations and marketing	224	-	224	-
Light & heat and other establishment expenses	13,810	-	13,810	13,547
Bank charges	3,510	-	3,510	3,979
Support costs (note 10)	<u>161,531</u>	<u>698</u>	<u>162,229</u>	<u>222,472</u>
	<u>338,938</u>	<u>698</u>	<u>339,636</u>	<u>472,552</u>

9. CHARITABLE ACTIVITIES COSTS

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 £
General upkeep of the Abbey and its Community				
Premises costs	84,166	-	84,166	85,613
Personal and living costs	37,223	1,728	38,951	64,518
Motor expenses	2,655	141	2,796	2,294
Education costs	210	-	210	2,084
Miscellaneous costs	18,874	571	19,445	21,889
Repairs	26,404	-	26,404	1,029
Support costs (note 10)	<u>310,919</u>	<u>2,622</u>	<u>313,541</u>	<u>263,849</u>
	<u>480,451</u>	<u>5,062</u>	<u>485,513</u>	<u>441,276</u>
Other Charitable activities				
Funded by Friends of Quarr:				
Accessible Paths project	-	17,618	17,618	-
Other	-	-	-	634
Conservation of the Abbey ruins	<u>4,846</u>	<u>-</u>	<u>4,846</u>	<u>17,634</u>
	<u>4,846</u>	<u>17,618</u>	<u>22,464</u>	<u>18,268</u>
Donations				
Donations	5,532	-	5,532	8,727
	<u>490,829</u>	<u>22,680</u>	<u>513,509</u>	<u>468,271</u>

ST MARY'S ABBEY, QUARR

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. SUPPORT COSTS

	2020	2020	2020	2019
	Charitable	Raising	Total	
	activities	Funds		
	£	£	£	£
Staff costs and emoluments (note 13)	243,257	136,436	379,693	371,457
Staff welfare and training	-	225	225	1,657
Depreciation – property	9,491	2,539	12,030	9,491
Depreciation – other	22,390	8,080	30,470	31,052
Profit on disposal of fixed assets	(4,032)	-	(4,032)	-
Legal and professional expenses	18,263	5,192	23,455	42,636
Public relations and marketing	19,207	-	19,207	22,939
Office and administrative costs	4,965	9,757	14,722	7,089
	<u>313,541</u>	<u>162,229</u>	<u>475,770</u>	<u>486,321</u>

The administrative costs of the trading subsidiary are allocated to fund raising support cost, all other support costs are allocated to charitable activities.

11. NET EXPENDITURE

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

	2020	2019
	£	£
Independent examiner's remuneration	2,500	2,500
Depreciation - owned assets	<u>42,500</u>	<u>40,543</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses for the year ended 31 December 2020 nor for the year ended 31 December 2019.

13. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	354,314	350,139
Social security costs	19,802	17,217
Pension costs	<u>5,577</u>	<u>4,101</u>
	<u>379,693</u>	<u>371,457</u>

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

13. STAFF COSTS – Continued

The average monthly number of employees during the year was as follows:

	2020	2019
General upkeep of the Abbey and its Community	9	9
Administration	2	1
Tea shop and farm shop	<u>10</u>	<u>13</u>
	<u>21</u>	<u>23</u>

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	152,962	32,266	185,228
Charitable activities			
Charitable activities	63,051	-	63,051
Other trading activities	529,406	-	529,406
Investment income	84,819	-	84,819
Other	<u>20,621</u>	<u>-</u>	<u>20,621</u>
Total	<u>850,859</u>	<u>32,266</u>	<u>883,125</u>
EXPENDITURE ON			
Raising funds	471,854	698	472,552
Charitable activities			
Charitable activities	<u>443,716</u>	<u>24,555</u>	<u>468,271</u>
Total	<u>915,570</u>	<u>25,253</u>	<u>940,823</u>
Net gains on investments	<u>66,655</u>	<u>-</u>	<u>66,655</u>
NET INCOME/(EXPENDITURE)	<u>1,944</u>	<u>7,013</u>	<u>8,957</u>
Transfer between funds	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS	<u>1,944</u>	<u>7,013</u>	<u>8,957</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,715,092</u>	<u>289,067</u>	<u>2,004,159</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,717,036</u>	<u>296,080</u>	<u>2,013,116</u>

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

15. PARENT CHARITY RESULT FOR THE YEAR

The parent charity has taken the exemption under s408 CA2006 to not present its own separate Statement of Financial Activities. A summary of its financial result is presented below:

	2020 £	2019 £
Total Income	270,508	431,689
Total Expenditure	(525,356)	(486,210)
Net gains/(losses) on investments	<u>(66,149)</u>	<u>66,655</u>
Net movements in funds	(320,997)	12,134
Total funds brought forward	1,994,952	1,982,818
Total funds carried forward	<u>1,673,955</u>	<u>1,994,952</u>

16. TANGIBLE FIXED ASSETS

Group	Freehold property £	Motor vehicles £	Furniture and equipment £	Totals £
COST				
At 1 January 2020	595,487	17,036	395,010	1,007,533
Additions	1,884	5,250	16,673	23,807
Disposals	<u>-</u>	<u>(11,425)</u>	<u>-</u>	<u>(11,425)</u>
At 31 December 2020	<u>597,371</u>	<u>10,861</u>	<u>411,683</u>	<u>1,019,915</u>
DEPRECIATION				
At 1 January 2020	59,198	15,352	304,998	379,548
Charge for year	12,030	1,297	29,173	42,500
Eliminated on disposal	<u>-</u>	<u>(11,425)</u>	<u>-</u>	<u>(11,425)</u>
At 31 December 2020	<u>71,228</u>	<u>5,224</u>	<u>334,171</u>	<u>410,623</u>
NET BOOK VALUE				
At 31 December 2020	<u>526,143</u>	<u>5,637</u>	<u>77,512</u>	<u>609,292</u>
At 31 December 2019	<u>536,289</u>	<u>1,684</u>	<u>90,012</u>	<u>627,985</u>

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

16. TANGIBLE FIXED ASSETS – Continued

Charity	Freehold property £	Motor vehicles £	Furniture and equipment £	Totals £
COST				
At 1 January 2020	474,686	17,036	294,031	785,753
Additions	-	5,250	7,887	13,137
Disposals	-	(11,425)	-	(11,425)
At 31 December 2020	<u>474,686</u>	<u>10,861</u>	<u>301,918</u>	<u>787,465</u>
DEPRECIATION				
At 1 January 2020	40,707	15,352	230,317	286,376
Charge for year	9,491	1,297	21,093	31,881
Eliminated on disposal	-	(11,425)	-	(11,425)
At 31 December 2020	<u>50,198</u>	<u>5,224</u>	<u>251,410</u>	<u>306,832</u>
NET BOOK VALUE				
At 31 December 2020	<u>424,488</u>	<u>5,637</u>	<u>50,508</u>	<u>480,633</u>
At 31 December 2019	<u>433,979</u>	<u>1,684</u>	<u>63,714</u>	<u>499,377</u>

17. FIXED ASSET INVESTMENTS

Group

	Listed investments £	Unlisted investments £	Cash and settlements pending £	Totals £
MARKET VALUE				
At 1 January 2020	855,737	216,006	28,824	1,100,567
Additions	76,393	-	108,609	185,002
Disposals	(83,250)	(100,000)	(106,219)	(289,469)
Revaluations	(66,149)	-	-	(66,149)
At 31 December 2020	<u>782,731</u>	<u>116,006</u>	<u>31,214</u>	<u>929,951</u>
NET BOOK VALUE				
At 31 December 2020	<u>782,731</u>	<u>116,006</u>	<u>31,214</u>	<u>929,951</u>
At 31 December 2019	<u>855,737</u>	<u>216,006</u>	<u>28,824</u>	<u>1,100,567</u>

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

17. FIXED ASSET INVESTMENTS – Continued

Charity

	Shares in group undertakings £	Listed investments £	Unlisted investments £	Cash and settlements pending £	Totals £
MARKET VALUE					
At 1 January 2020	2	855,737	216,006	28,824	1,100,569
Additions	-	76,393	-	108,609	185,002
Disposals	-	(83,250)	(100,000)	(106,219)	(289,469)
Revaluations	-	(66,149)	-	-	(66,149)
At 31 December 2020	<u>2</u>	<u>782,731</u>	<u>116,006</u>	<u>31,214</u>	<u>929,953</u>
NET BOOK VALUE					
At 31 December 2020	<u>2</u>	<u>782,731</u>	<u>116,006</u>	<u>31,214</u>	<u>929,953</u>
At 31 December 2019	<u>2</u>	<u>855,737</u>	<u>216,006</u>	<u>28,824</u>	<u>1,100,569</u>

At 31 December 2020 and 31 December 2019 the charity had a 100% holding of the ordinary share capital in a subsidiary company, Quarr Abbey Enterprises Limited (Company registration number 03609559), a company incorporated in England and Wales. The trading company's objects are to operate the tea shop, farm shop and the Abbey shop.

The results of the subsidiary are included in the consolidated accounts.

A summary of the trading company's results is presented below:

	2020 £	2019 £
Turnover and other income	328,544	483,404
Cost of sales and administrative expenses	(328,849)	(454,610)
Interest payable	(632)	(435)
Net (loss)/profit	<u>(937)</u>	<u>28,359</u>
Gift aid donations to Quarr Abbey	<u>-</u>	<u>31,534</u>
	2020 £	2019 £
Total assets	164,395	154,256
Total liabilities	(147,166)	(136,090)
Aggregate share capital and reserves	<u>17,229</u>	<u>18,166</u>

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

18. STOCKS

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Goods for resale	<u>11,832</u>	<u>5,700</u>	<u>15,603</u>	<u>6,250</u>
	<u>11,832</u>	<u>5,700</u>	<u>15,603</u>	<u>6,250</u>

During the year £141,192 (2019: £210,324) of stock was recognised as an expense.

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade debtors	87	87	-	-
Amounts owed by group undertakings	-	126,947	-	119,043
Prepayments and accrued income	14,197	11,954	14,226	11,727
Other debtors	<u>2,020</u>	<u>2,020</u>	<u>2,122</u>	<u>2,122</u>
	<u>16,304</u>	<u>141,008</u>	<u>16,348</u>	<u>132,892</u>

Amounts owed by group undertakings includes an unsecured loan to the charity's trading subsidiary, the loan is accounted for as a concessionary loan. The unsecured loan is over a 10-year term and is due to be fully repaid by 31 December 2025. The loan accrues interest at the Bank of England base rate, currently 0.5%.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade creditors	20,389	9,196	19,715	13,575
Taxation and social security	5,582	-	8,407	-
Accruals	10,975	7,875	7,498	4,998
Other creditors	<u>354</u>	<u>10</u>	<u>-</u>	<u>-</u>
	<u>37,300</u>	<u>17,081</u>	<u>35,620</u>	<u>18,573</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

21. FUNDS

Unrestricted funds are used at the discretion of the trustees for any of the charity's purposes, this is mainly for the upkeep of the Abbey and its Community.

Unrestricted funds include designated funds which have been set aside by the trustees for a specific purpose.

Property fund (designated fund)

The property fund represents the net book value of the Abbey buildings. This fund has been established in recognition of the fact that the Abbey is central to the objectives of the charity and the buildings do not represent reserves available to finance the charity's operations.

Library fund (designated fund)

The library fund represents funds set aside for the use in connection with the library.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The restricted fund comprises the following funds:

Heritage Lottery Project fund (restricted fund)

The Heritage Lottery Project fund which represents donations and grants received for the programme of restoration of the old Abbey ruins.

DEFRA & RDPE fund (restricted fund)

DEFRA & RDPE fund represents a grant received towards the purchase of equipment and fitting-out of the tea room and farm shop.

Organ fund (restricted fund)

Organ fund representing monies held for the restoration of the Abbey organ.

Friends of Quarr fund (restricted fund)

Friends of Quarr fund represents monies raised by the Friends of Quarr which will be applied to the projects which they specify.

Window fund (restricted fund)

Window fund representing monies held for the restoration of the Abbey windows.

Vestments fund (restricted fund)

Vestments fund represents monies raised for the vestments for the members of the community.

Church gravel path fund (restricted fund)

Church gravel path fund representing monies held for the upgrade of the Church pathway to enable disabled people and wheelchair users to gain access more easily.

Abbey ruins conservation fund (restricted fund)

Abbey ruins conservation fund representing monies received and held for the programme of conservation of the old Abbey ruins.

Roof repair fund (restricted fund)

Roof repair fund representing monies received for the programme of repairs to the roofs of the Abbey buildings.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS

Group	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	1,625,653	(305,951)	1,319,702
Property fund	24,955	(832)	24,123
Library fund	66,428	1,337	67,765
	<u>1,717,036</u>	<u>(305,446)</u>	<u>1,411,590</u>
Restricted funds			
Heritage Lottery Fund project	85,604	-	85,604
DEFRA & RDPE fund	28,973	(698)	28,275
Organ Fund	21,959	-	21,959
Friends of Quarr fund	21,527	(12,563)	8,964
Window fund	1,566	-	1,566
Church gravel path fund	2,250	(2,250)	-
Abbey ruins conservation fund	6,142	-	6,142
Roof repair fund	127,174	(2,622)	124,552
Interns fund	885	(885)	-
Choir books fund	-	2,530	2,530
	<u>296,080</u>	<u>(16,488)</u>	<u>279,592</u>
TOTAL FUNDS	<u>2,013,116</u>	<u>(321,934)</u>	<u>1,691,182</u>

Net movement in funds, included in the above are as follows:

	Transfers £	Gains and losses £	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds					
General fund	-	(66,149)	587,470	(827,272)	(305,951)
Property fund	-	-	-	(832)	(832)
Library fund	-	-	3,000	(1,663)	1,337
	<u>-</u>	<u>(66,149)</u>	<u>590,470</u>	<u>(829,767)</u>	<u>(305,446)</u>
Restricted funds					
Heritage Lottery Fund project	-	-	-	-	-
DEFRA & RDPE fund	-	-	-	(698)	(698)
Organ Fund	-	-	-	-	-
Friends of Quarr fund	(15,368)	-	2,890	(85)	(12,563)
Window fund	-	-	-	-	-
Church gravel path fund	15,368	-	-	(17,618)	(2,250)
Abbey ruins conservation fund	-	-	-	-	-
Roof repair fund	-	-	-	(2,622)	(2,622)
Interns fund	-	-	1,000	(1,885)	(885)
Choir books fund	-	-	3,000	(470)	2,530
	<u>-</u>	<u>-</u>	<u>6,890</u>	<u>(23,378)</u>	<u>(16,488)</u>
TOTAL FUNDS	<u>-</u>	<u>(66,149)</u>	<u>597,360</u>	<u>(853,145)</u>	<u>(321,934)</u>

Friends of Quarr funded the gravel path project, the transfer above represents the funding provided in the year.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS – Continued

Charity	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	1,636,462	(305,712)	1,330,750
Property fund	24,955	(832)	24,123
Library fund	66,428	1,337	67,765
	<u>1,727,845</u>	<u>(305,207)</u>	<u>1,422,638</u>
Restricted funds			
Heritage Lottery Fund project	85,604	-	85,604
Organ Fund	21,959	-	21,959
Friends of Quarr fund	21,527	(12,563)	8,964
Window fund	1,566	-	1,566
Church gravel path fund	2,250	(2,250)	-
Abbey ruins conservation fund	6,142	-	6,142
Roof repair fund	127,174	(2,622)	124,552
Interns Fund	885	(885)	-
Choir books fund	-	2,530	2,530
	<u>267,107</u>	<u>(15,790)</u>	<u>251,317</u>
TOTAL FUNDS	<u>1,994,952</u>	<u>(320,997)</u>	<u>1,673,955</u>

Net movement in funds, included in the above are as follows:

	Transfers £	Gains and losses £	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds					
General fund	-	(66,149)	260,618	(500,181)	(305,712)
Property fund	-	-	-	(832)	(832)
Library fund	-	-	3,000	(1,663)	1,337
	<u>-</u>	<u>(66,149)</u>	<u>263,618</u>	<u>(502,676)</u>	<u>(305,207)</u>
Restricted funds					
Heritage Lottery Fund project	-	-	-	-	-
Organ Fund	-	-	-	-	-
Friends of Quarr fund	(15,368)	-	2,890	(85)	(12,563)
Window fund	-	-	-	-	-
Church gravel path fund	15,368	-	-	(17,618)	(2,250)
Abbey ruins conservation fund	-	-	-	-	-
Roof repair fund	-	-	-	(2,622)	(2,622)
Interns fund	-	-	1,000	(1,885)	(885)
Choir books fund	-	-	3,000	(470)	2,530
	<u>-</u>	<u>-</u>	<u>6,890</u>	<u>(22,680)</u>	<u>(15,790)</u>
TOTAL FUNDS	<u>-</u>	<u>(66,149)</u>	<u>270,508</u>	<u>(525,356)</u>	<u>(320,997)</u>

Friends of Quarr funded the gravel path project, the transfer above represents the funding provided in the year.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS – PRIOR YEAR

Group	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	1,622,877	2,776	1,625,653
Property fund	25,787	(832)	24,955
Library fund	66,428	-	66,428
	<u>1,715,092</u>	<u>1,944</u>	<u>1,717,036</u>
Restricted funds			
Heritage Lottery Fund project	85,604	-	85,604
DEFRA & RDPE fund	29,671	(698)	28,973
Organ Fund	21,959	-	21,959
Friends of Quarr fund	13,945	7,582	21,527
Window fund	1,566	-	1,566
Church gravel path fund	2,250	-	2,250
Abbey ruins conservation fund	4,276	1,866	6,142
Roof repair fund	129,796	(2,622)	127,174
Interns fund	-	885	885
Vestments fund	-	-	-
	<u>289,067</u>	<u>7,013</u>	<u>296,080</u>
TOTAL FUNDS	<u>2,004,159</u>	<u>8,957</u>	<u>2,013,116</u>

Net movement in funds, included in the above are as follows:

	Gains and losses £	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds				
General fund	66,655	850,859	(914,738)	2,776
Property fund	-	-	(832)	(832)
Library fund	-	-	-	-
	<u>66,655</u>	<u>850,859</u>	<u>(915,570)</u>	<u>1,944</u>
Restricted funds				
Heritage Lottery Fund project	-	-	-	-
DEFRA & RDPE fund	-	-	(698)	(698)
Organ Fund	-	-	-	-
Friends of Quarr fund	-	8,216	(634)	7,582
Window fund	-	-	-	-
Church gravel path fund	-	-	-	-
Abbey ruins conservation fund	-	19,500	(17,634)	1,866
Roof repair fund	-	-	(2,622)	(2,622)
Interns fund	-	1,000	(115)	885
Vestments fund	-	3,550	(3,550)	-
	<u>-</u>	<u>32,266</u>	<u>(25,253)</u>	<u>7,013</u>
TOTAL FUNDS	<u>66,655</u>	<u>883,125</u>	<u>(940,823)</u>	<u>8,957</u>

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS – PRIOR YEAR – Continued

Charity	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	1,631,207	5,255	1,636,462
Property fund	25,787	(832)	24,955
Library fund	66,428	-	66,428
	<u>1,723,422</u>	<u>4,423</u>	<u>1,727,845</u>
Restricted funds			
Heritage Lottery Fund project	85,604	-	85,604
Organ Fund	21,959	-	21,959
Friends of Quarr fund	13,945	7,582	21,527
Window fund	1,566	-	1,566
Church gravel path fund	2,250	-	2,250
Abbey ruins conservation fund	4,276	1,866	6,142
Roof repair fund	129,796	(2,622)	127,174
Interns Fund	-	885	885
Vestments fund	-	-	-
	<u>259,396</u>	<u>7,711</u>	<u>267,107</u>
TOTAL FUNDS	<u>1,982,818</u>	<u>12,134</u>	<u>1,994,952</u>

Net movement in funds, included in the above are as follows:

	Gains and losses £	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds				
General fund	66,655	399,423	(460,823)	5,255
Property fund	-	-	(832)	(832)
Library fund	-	-	-	-
	<u>66,655</u>	<u>399,423</u>	<u>(461,655)</u>	<u>4,423</u>
Restricted funds				
Heritage Lottery Fund project	-	-	-	-
Organ fund	-	-	-	-
Friends of Quarr fund	-	8,216	(634)	7,582
Window fund	-	-	-	-
Church gravel path fund	-	-	-	-
Abbey ruins conservation fund	-	19,500	(17,634)	1,866
Roof repair fund	-	-	(2,622)	(2,622)
Interns Fund	-	1,000	(115)	885
Vestments Fund	-	3,550	(3,550)	-
	<u>-</u>	<u>32,266</u>	<u>(24,555)</u>	<u>7,711</u>
TOTAL FUNDS	<u>66,655</u>	<u>431,689</u>	<u>(486,210)</u>	<u>12,134</u>

ST MARY'S ABBEY, QUARR
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

23. RELATED PARTY DISCLOSURES

As disclosed in Note 17, the charity has a wholly owned trading subsidiary company, Quarr Abbey Enterprises Limited.

At 31 December 2020 Quarr Abbey Enterprises Limited owed an amount of £126,947 to St Mary's Abbey, Quarr, Charitable Trust (2019: £119,043). Interest charged on this loan amounted to £632 (2019: £435). The loan is unsecured and is repayable over 10 year and interest accrues at the Bank of England base rate.

24. ULTIMATE CONTROLLING PARTY

The charity was under the control of the trustees throughout the year.

25. POST BALANCE SHEET EVENTS

The COVID-19 pandemic has continued in 2021.

The charity is dependent on voluntary income and income from its trading subsidiary. As a result of the restrictions in place for the first half of 2021 the charity's ability to generate income has been severely restricted.

Since the easing of the restrictions visitors have been able to return to the Abbey and the tea shop and farm shop have reopened, albeit initially with reduced opening hours. This has allowed for the gradual return to work of the furloughed staff. The charity is now fortunate to be meeting its income targets.

The trustees believe that their investment strategy will help to regain the losses suffered due to the impact of the pandemic on world markets.

The trustees have made use of the available government support, which included making use of the furlough scheme to help protect the jobs of the staff in the trading subsidiary.

Any shortfall in income against budgeted expenditure in 2021 can be rectified through making a drawdown from the investment portfolio.