

**The Trust of
St Benedict's
Abbey, Ealing**

Annual Report and Accounts

31 August 2021

Charity Registration Number 242715

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	3
Independent auditor's report	20

Accounts

Statement of financial activities	25
Balance sheet	26
Statement of cash flows	27
Principal accounting policies	28
Notes to the accounts	35

Reference and administrative details of the charity, its trustees and advisers

Trustees	Rt Revd Dominic Taylor OSB Very Revd Alexander Bevan OSB Revd Timothy Gorham OSB Revd Ambrose McCambridge OSB Revd Peter Burns OSB (The trustees are incorporated under of the Charities Act 2011)
Parish Priest	Revd Ambrose McCambridge OSB
Monastic Bursar Lay Bursar	Very Revd Alexander Bevan OSB Mrs S Daly FCA
Trust Finance Committee	Mr K Clark MRICS Mr G Gostwick BA Oxon Mr D Squire MA FCA
Abbey address	Ealing Abbey Charlbury Grove Ealing London W5 2DY
Website	www.ealingmonks.org.uk
Telephone	020 8194 2300
Charity registration number	242715
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative details of the charity, its trustees and advisers

Bankers	Allied Irish Bank (GB) Ealing Cross 85 Uxbridge Road London W5 5TH
	HSBC Bank plc PO Box 260 46 The Broadway Ealing London W5 5JR
Investment managers	Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA
	Walker Crips Stockbrokers Limited Finsbury Tower 103-105 Bunhill Row London EC1Y 8LZ
Insurance brokers	D E Ford (Insurance Brokers) Limited Poppleton Grange Low Poppleton Lane York YO2 6AZ
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ
	Haworth & Gallagher LLP (Birkenhead) 39 Hamilton Square Birkenhead CH41 5BP

The trustees present their report together with the accounts of The Trust of St Benedict's Abbey, Ealing ("the Trust") for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 28 to 34 of the attached accounts and comply with the charity's governing document, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Charities Act 2011 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).

Objects, aims, activities and relevant policies

♦ Charitable objects

The charity's objects are set out in a Scheme approved by the Charity Commissioners for England and Wales dated 5 September 1997. The charity aims to promote the charitable works carried on, promoted and supported by the monks of Ealing Abbey.

♦ Public benefit

In meeting these objects, the Trust's public benefit aims are to:

- ♦ Support the prayers and ministry of the Catholic Benedictine monks for the wider community.
- ♦ Support and promote the spiritual, charitable and social work of the Catholic community in Ealing and West London.
- ♦ Provide a first rate medium to long term counselling service to fill the gaps in NHS provision.
- ♦ Provide an opportunity to the public for continuing Christian education and formation and thus benefit society in an age full of conflict and misunderstanding.

♦ Objectives for the year

During the year to 31 August 2021 the focus was as follows:

- ♦ To work to maintain a healthy and viable monastic life in the Abbey.
- ♦ To preserve and enhance the Parish as a centre of Roman Catholic sacramental and spiritual life.
- ♦ To maintain the service offered by the Ealing Abbey Counselling Service (EACS).
- ♦ To support the Benedictine ethos of St Benedict's School.
- ♦ To continue and develop the work of the Benedictine Institute and the Liturgical Institute.

Objects, aims, activities and relevant policies (continued)

♦ **Strategies to achieve the year's objectives**

To establish a programme of monastic renewal and spiritual formation to enable the monastic community to continue to support the running of the charity and to ensure that sufficient external consultancy and support is available to develop the financial administration of the Trust.

♦ **Principal activities of the year**

The trustees review the charity's aims, objectives and activities each year to see what has been achieved over the previous year. The review looks at the success of each of the major activities and the benefits to the many beneficiaries. In furtherance of these aims, the trustees have complied with the duty contained within the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under that Act.

During the year to 31 August 2021, the charity's activities fell into three main areas: Monastic life within the Abbey, pastoral work and education.

The Monastic Community

The centre of the work of the Trust is to sustain the community and prayer life of the Benedictine monastery of Ealing Abbey, much of which by its nature takes place out of public view. Five times every day the monks gather in the Abbey Church to pray the divine office and to celebrate the Eucharist, all of which are open to public participation. It is this work which makes it possible for the monks to engage in, support and promote a range of activities for the good of the wider community.

Pastoral work

Since the seventeenth century, monks of the English Benedictine Congregation have been engaged in pastoral work to support the Christian life of the Catholic community in England. For Ealing Abbey this has taken the form of a large diverse and active parish for which we have had responsibility since our foundation in 1897. The parish nourishes the sacramental and spiritual life of the parishioners, with an average of just over a thousand attending services on a Sunday with two thirds attending in person and a further third via the streaming service. The parish also promotes a wide range of catechetical and social activities.

Another aspect of pastoral engagement is the work of the Ealing Abbey Counselling Service (EACS), which was established in 1994 and has grown to help hundreds of people annually by providing low cost medium and long term counselling, where it is not provided by the NHS. By its nature the activities of the Parish are directed at Roman Catholics, while EACS is open to all in need. EACS offers confidential, professional help to meet people's needs regardless of age, belief, culture, ethnicity or sexual orientation.

Objects, aims, activities and relevant policies (continued)

♦ **Principal activities of the year** (continued)

Pastoral work (continued)

It has in the region of 80 practitioners: 60 counsellors who are in advanced training or qualified, and all of whom give their time for free; a small team of experienced assessors who carry out a comprehensive assessment of new clients and match them to appropriate counsellors; and a team of experienced, qualified supervisors who support the ongoing work of the counsellors in monthly supervision groups.

The staff team comprises of two part-time administrators and three part-time qualified counsellors and psychotherapists, responsible for all aspects of the day to day management, recruitment, and development of the Service. In 2015, EACS formed a consortium with other voluntary sector community counselling services in the Borough of Ealing, of which EACS is the Lead partner. The organisations all continue to operate independently but have an agreement to work in partnership in relation to funding bids and monitoring of services in relation to the Health and Social Care grant. The grant is administered via EACS and the trustees and is held in a restricted fund.

Education

Since its inception in the 17th Century the English Benedictine Congregation, of which Ealing Abbey is a member, has also been involved in education. St Benedict's School was owned by the Trust until September 2012 when, following the recommendations of the report of Lord Carlile, ownership was passed to an independent charitable company. The Trust continues to support the ethos of St Benedict's School by providing chaplains for sacramental and pastoral work within the School community. Two monks sit on the Board of Governors of the School.

The Trust also provides adult education through the work of the Benedictine Institute (BI). Students and staff share in elements of the monastic life and study in a context of hospitality and a life centred on community, reflection and prayer. BI also gives time to developing the progression in learning of the volunteers and instructors. The BI facilities also host the Lay Plainchant Workshop, Ealing Abbey Pottery, St Bede Library and the Liturgical Institute which, through summer courses, offers masters level studies of liturgical texts in the Catholic tradition.

♦ **Listed investment policy**

The charity has invested via two different investment advisers, Cazenove Capital Management Limited and Walker Crips Stockbrokers Limited. As at 31 August 2021 the charity had a portfolio of investments with a market value of £2,403,709 (2020: £2,173,444). Additionally, at 31 August 2021, investment managers were holding a further £30,328 (2020: £69,185) for reinvestment i.e. a total of £2,434,037 (2020: £2,242,629).

Objects, aims, activities and relevant policies (continued)

♦ **Listed investment policy (continued)**

There are no restrictions on the charity's power to invest. Cazenove Capital Management Limited and Walker Crips Stockbrokers Limited have each been provided with an investment policy statement which provides guidance as to how the asset management functions delegated to them should be exercised. It was formulated with a view to ensuring that the asset management functions are exercised within the best interests of the charity.

The trustees' investment objective is that the real value of the charity's assets be maintained and enhanced over the long term by investment in a portfolio comprising primarily equities, fixed income stocks, property and cash. The trustees have adopted the following ethical policy, the main purpose being to avoid investment in, and therefore support for, activities that are contrary to the beliefs of the Roman Catholic Church. Therefore, the trustees do not wish to invest in companies that are involved in unethical activities. Companies involved in unethical operations are deemed to be those that:

- ◇ Invest in hospitals/clinics that have abortions or euthanasia as a major role;
- ◇ Exploit the labour force in such a way that it is unjustifiable in the light of local circumstances;
- ◇ Have operations in areas of oppressive regimes where these operations contribute to the oppressive nature of these regimes;
- ◇ Have the manufacture of arms/weapons as a core activity;
- ◇ Are involved in pornography or obscenity.

Due regard shall be given to environmental concerns in all investment decisions.

The trustees receive regular reports on their listed investments and valuations. This information is reviewed by the trustees themselves and on the trustees' behalf by the Trust Finance Committee.

♦ **Property investment policy**

The Trust has a number of properties which are rented to tenants at commercial rents. These properties, all of which are in Ealing, West London are included in the attached accounts at an estimate of their market value and at 31 August 2021 were considered to have a value of £6,320,000 (2020 - £5,400,000).

Objects, aims, activities and relevant policies (continued)

◆ **Programme related investments**

The freehold to the land and buildings that comprise St Benedict's School, Ealing is held by the Trust. The buildings are used for educational purposes which are consistent with the Trust's charitable objectives but they are occupied by a separate charitable company (see note 24 to the attached accounts). Consequently, the land and buildings are classified as programme related investments. The land and buildings are included in the accounts at £9,784,693 being their carrying value as at 1 September 2014 i.e. the date on which the buildings were made available to St Benedict's School, Ealing. The Trust receives an annual rent from the School which for the year to 31 August 2021 amounted to £420,553 (2020 - £434,167).

◆ **Tangible fixed assets**

Acquisitions and disposals of tangible fixed assets during the year are recorded in the notes to the accounts. All tangible fixed assets, including freehold land and buildings, are recorded in the accounts at original cost less depreciation. The market values of freehold land and buildings are considered to be in excess of the amount at which they are recorded in the accounts.

◆ **Employees**

The Trust of St Benedict's Abbey, Ealing is an equal opportunities employer and will apply objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability. The exception to this is in respect of certain posts that require the appointment of a Roman Catholic, where this is fundamental to the role.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees will be given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The charity is committed to a programme of action to make this policy effective and bring it to the attention of all employees.

◆ **Fundraising policy**

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity 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 and the group 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.

Review of achievements and performance for the year

The following paragraphs outline the main achievements during the year in each of the charity's principal activities.

♦ The Monastic Community

Since the last report three monks have passed away, Dom Stanislaus Hobbs, Dom James Leachman and Dom Andrew Hughes and their contributions to the community, the parish and the wider community are acknowledged. During the year there was a final profession bringing the number of monks in the community to 10, of whom one is elderly and retired. The active contribution of the monk's life can be seen in the areas covered by this report, but the core of the life of the community is its life of prayer, in private and in the round of daily monastic offices sung in the Abbey Church, from Matins at 6am until Compline at 8pm. Nearly all of these are open to public participation. The leadership of the community is entrusted to its Abbot, who is elected for eight year terms.

The Ealing Abbey Pottery is a small craft pottery. It is a work of the monastic community and part of the Benedictine Institute. The rhythm of the workshop fits well with the monastic routine and contemplative spirit. It is hoped that the work embodies and shares something of that spirit. In the main work is sold through the Ealing Abbey Book Shop.

Ealing Abbey Lay Plainchant Choir (EALPC). This is a work of the Benedictine Institute. It is a means by which lay people may share in this aspect of Benedictine spirituality. Membership is open to any one of any religious background. Members commit to attending a weekly rehearsal and attendance at the Mass at which the choir sings once a month. At each meeting members are asked to make a voluntary donation to choir funds of £2. These are administered by the choir committee and are used for the purchase of books and in support of two training events each year, one of which is open to non members. Since the beginning of the pandemic members have used the 'Zoom' account of the Benedictine Institute to practice together weekly.

Ealing Abbey Choir continued to be affected by the global pandemic with services at the start of the academic year from September to November having to be sung without the choristers due to restrictions on singing. Despite the pandemic, chorister recruitment remained strong: four probationers were recruited in January 2021 and eight probationers were recruited in summer 2021. The latter included the recruitment of the first three girl choristers in the history of the choir. The choir continues to sing a broad range of music to the highest of standards.

♦ Pastoral work

From September to May, the Parish Catechetical programme was all successfully carried out online with the Catechetical Coordinator liaising closely with our Lead Parish Safeguarding Representative and the Westminster Safeguarding Team to ensure that everything was in place to ensure the safety of the candidates and Catechists.

During the year there were: 62 baptisms; 3 receptions into the Church; no couples were prepared for marriage (due to coronavirus restrictions); 84 children were prepared for First Holy Communion; 48 young people were prepared for Confirmation and there were 63 funerals.

Review of achievements and performance for the year (continued)

♦ Pastoral work (continued)

The Parish Pastoral Council met regularly throughout the year. The Parish In-Council meeting is now very much part of the Parish calendar and took place in February 2021. The meeting covered the following topics: an overall review of the year; Parish Catechesis, Pastoral Care, Parish Safeguarding, Parish Finances, and the role of our three Parish Deacons. The Parish St Vincent DePaul Society, Aid to the Church in Need and Justice & Peace groups also gave an account of their activities during the year. There was also an opportunity for Questions and Answers for those attending. The Parish In-Council meeting is now set to be an annual event in the Parish calendar. At the second session in October 2021, parishioners gave their feedback on the questionnaire and discussed the issues that concerned them most. This was very productive and fruitful.

The Parish did not host its usual six Fridays in January and February for the Ealing Churches Together Night Shelter Project due to the pandemic restrictions. The Night Shelter took place in January 2022. Although the bed and breakfast was provided elsewhere, the parish volunteers provided the evening meal. The work of the Parish Conference of the St Vincent de Paul Society continues to form a key aspect of the parish outreach. Since Lockdown began, the Conference meets online every Monday instead of in-person. The Parish Team continues to work very closely with the Society.

This year the Lenten Project supported the Felix Project, a London-based charity that works to deliver surplus food to the most vulnerable in our society. Due to the Coronavirus restrictions most of the usual fundraising events and projects did not take place. Nevertheless, the Parish recognised the importance of the Felix Project given the continuing reports about the very difficult financial circumstances so many people and families face in not being able to afford the basics such as putting food on the table. The numbers have increased over the pandemic. Consequently, a total of £14,000 from the Parish fund, which is used to support and help those in need in the local area, was used to supplement the donations of parishioners. In total, the Parish made a donation of £18,936 to the Felix Project.

The Parish continues to support the Grove Community Project in Gurnell Grove. The Parish again supported the now annual Christmas Fair event with financial support for lighting, a Christmas tree and stand, general fixtures needed to decorate the area and the hiring of two donkeys for children to sit on and ride. During the year the Parish also donated £1,000 for the foodbank initiative that the Project set up during the Lockdown period. The Parish Priest also attended a 'Walkabout' and information evening held for those who are supporting their Project. It was a lovely couple of hours hearing about the Estate and all that has been happening since the Project started.

Ealing Abbey Parish's online presence, which is now fundamental to every aspect of Parish life, consists of: the Parish Website; the Parish YouTube Channel (399 subscribers); the Parish Facebook page (379 followers) and the weekly Parish E-Newsletter (343 subscribers). The Parish will continue to promote its online presence as a means to make the Parish more accessible and to communicate information on Parish Life. The Live Streaming of masses, which began in September 2020, in one 28-day period showed 9,286 unique viewers with 6,000 of these from the UK.

Review of achievements and performance for the year (continued)

♦ Pastoral work (continued)

The Ealing Abbey Counselling Service has continued to support a number of people via online video this year, according to the needs and preferences of its clients and counsellors during this unprecedented time. During the summer, EACS also began preparations for a re-opening of the premises, with a view to gradually resuming 'in person' counselling and psychotherapy. This involved putting in place Covid safety measures and written guidelines for its practitioners and clients using the building.

Accordingly, since September around half its counsellors have begun working from the building and the staff team are also offering some office-based cover, while continuing to work partly from home. Clients who were unable to work online when the pandemic took hold, are now able to return to the Service. This 'blended' provision of both online and face to face work involves running two separate but interchangeable processes and takes up more administrative time, but is working well.

Throughout the year, EACS also continued its refurbishment of the building and it is also gradually renewing some soft furnishings and equipment as time and resources allow.

♦ Education

The Benedictine Institute had a very quiet year with most on site activities curtailed due to Covid. However, the Liturgy and Latin courses continued online and were very successful. There were a total of forty-two students taught across the year. With the online teaching, the Institute taught a more global student body consisting of: priests and diocesan officials from Trinidad & Tobago, Australia, USA, India, and the UK; and lay students from Belgium, Portsmouth, Brentwood, Brisbane, Sydney, Milwaukee, Kuala Lumpur and Hamburg. Going forward it is hoped that the Institute will run both online and in-person courses.

Up until his death in August, Dom James Leachman (Principal of the Benedictine Institute) continued to run 'Restorative Circle' groups online. It is hoped that his work with counsellors and low-cost facilities, to provide the therapy for those affected by abuse, will continue. Links with the Catholic University of Leuven in Belgium continued with the accreditation for students in the Liturgy and Latin courses. Another student completed their Institutum Liturgicum Masters Diploma in Liturgy and three more students aim to complete their diplomas in 2022.

The icon painting courses restarted in May, with two courses of ten participants, socially distanced, held during the school holidays. The room rental started up at the very end of the year with different counselling type groups returning to use the rooms with Covid precautions. Advance bookings indicate that the Institute will return to being busy with individuals and groups again.

Review of achievements and performance for the year (continued)

♦ Coronavirus

Having gradually begun to ease restrictions at the end of the previous financial year, the government stepped up the Coronavirus Alert Level to Level 4 in September 2020 and soon after to Level 5 in November 2020. During this time, the Abbey Church remained open for private prayer, but the Parish Centre remained closed. Despite this, donations were only 9% down on last year due to the following mitigating measures: standing orders, donation portals for non cash donations and donations via the website. Restrictions began to ease in March 2021 and further in June 2021 but social distancing measures remained in place in accordance with the Westminster Diocesan Risk Assessment Guidance.

In the Trust's other operations, Ealing Abbey Counselling Service continued to successfully operate remotely and clients' contributions remained steady and fortunately no financial impact is expected here. The Benedictine Institute was able to run some courses in autumn 2020 and offered its summer programme remotely (see above) but suffered a 25% decrease in income. The House for Guests was closed.

The Trust receives rental income from the properties it owns. In the majority of properties, the trustees measure the risk to rental income as low. In 2021, however, some concession agreements were put in place and although these have expired, a cautious approach has been taken in forecasting these income streams in 2022.

During the year the trustees reviewed the longer term picture for the year to August 2023 and recognised that there would be a significant impact on free reserves if there were no changes to current operations. A comprehensive strategic review has been implemented to address this challenge and remains ongoing although significant progress has been made. In the meantime, a staff restructure was undertaken in the summer of 2021, which resulted in three voluntary redundancies.

A revaluation of our investment properties took place in the year with a £920,000 increase in value. Our listed investment have also recovered well with an increase of £305,774.

Financial report for the year

♦ Results for the year

A summary of the results for the year can be found on page 25 of the accounts.

Total income for the year amounted to £1,396,027 (2020: £1,549,622). Of this, £455,379 (2020: £579,787) was generated from donations and legacies, i.e. mainly parish collections and donations with legacy income being £17,620 (2020: £47,524), £580,641 (2020 - £605,352) was investment income, and £287,833 (2020: £298,290) was income from charitable activities. This latter category included income from grants and funding agreements and client contributions for the counselling services provided by the charity of £100,000 and £116,859 respectively (2020 - £100,000 and £116,006). During the year the charity did not dispose of any tangible fixed assets (2020 – nil).

Financial report for the year (continued)

◆ Results for the year (continued)

Set off against this income was £1,617,680 (2020: £1,900,754) of expenditure. £1,016,166 (2020: £1,330,042) related to ministry and support of members of the Community. Included within this heading are legal and other professional fees of £42,296 (2020: £189,395) incurred principally in respect to the participation by the monastic community in the work of the Independent Inquiry into Child Sexual Abuse (IICSA) which included Ealing Abbey as part of a case study into abuse within the Roman Catholic Church in England and Wales. £378,521 (2020: £350,666) was the cost of upkeep of the Abbey Church and Parish Centre and administering the parish and £207,668 (2020 - £204,188) was the cost of providing counselling services.

Once expenditure is deducted from income, the charity shows a "deficit" or net expenditure for the year of £221,653 (2020: £351,132). Gains of £281,192 (2020: losses of £8,507) on listed investments and gains of £920,000 on investment properties led to overall net income of £979,539 (2020: net expenditure of £359,639).

The net movement in funds, after adjusting for a positive change in the pension deficit provision of £2,098 (2020: negative change of £3,000), further details of which are provided in note 16 to the accounts, was a positive movement of £981,637 (2020: negative movement of £362,639).

◆ Reserves policy

The trustees consider that between £2 million and £3.5 million is an appropriate level of free reserves for the charity to maintain, based on future expenditure projections and the need for the Community to continue to develop its ministry following the transfer of the School to a separate charity. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the exceptional circumstances created by the Covid-19 pandemic.

◆ Financial position

The balance sheet shows total reserves of £20,833,261 (2020: £19,851,624).

Of this, £2,188,120 is represented by tangible fixed assets essential for the support and work of the charity (2020: £2,243,035). There is a tangible fixed assets fund equal to the net book value of tangible fixed assets to highlight their importance to the charity and to emphasise that funds equal to the value of the tangible fixed assets are not available to meet contingencies or ongoing expenditure.

A further £9,784,693 represents the freehold land and buildings comprising St Benedict's School, Ealing (2020: £9,784,693). These buildings are used for educational purposes consistent with the charity's objects but they are occupied by a separate charitable company (see note 18 to the attached accounts).

Financial report for the year (continued)

♦ Financial position (continued)

£6,525,182 (2020: £6,597,481) has been designated to provide funds for the members of the Community in their retirement, to maintain the charity's properties, to develop the charity's activities within the parish, to maintain the Ealing Abbey Bookshop and to support a former member of the Community. Further details of their funds are provided in note 19 to the accounts.

Restricted funds totalled £381,099 (2020: £421,964) and comprise various monies given specifically for parish activities or specific aspects of the priests' ministry and include ministry special funds for the counselling service of £218,249 (2020: £209,058).

Funds available to support the work of the charity in the future, in particular to support the Community's pastoral work and ministry, are shown on the balance sheet as general funds and amount to £1,954,167 (2020: £804,451). These general funds comprise 'free' reserves of £2,205,244 (2020: £1,081,582) less the pension scheme deficit of £251,077 (2020: £277,131).

This figure of free reserves needs to be considered in the light of expected future recurring annual expenditure of approximately £1.1 million and the need for the charity to continue to support the work of the Community and also develop such work. In previous years, free reserves have been depleted due to historic one-off exceptional costs incurred through the charity's participation in IICSA (see above). These exceptional costs have now reduced. The comprehensive strategic review (see below) has been given priority this year and good progress had been made, allowing for some recovery in reserves. Whilst the review is in progress, the trustees have undertaken a staff restructure and continue to monitor reserves and budget carefully. At the time of signing, the review is estimated to conclude by August 2022. Given this strategic review, continuing prudence and consideration in the light of the uncertainties due to the Covid-19 pandemic, the trustees are of the opinion that the free reserves are adequate.

Future plans

The trustees understand fully the need for a comprehensive strategic review and began this process in February 2020 at a meeting involving the Monastic Community, the Trust Finance Committee and professional advisors. Since that time, the strategic review has identified key performance indicators (KPIs) necessary to realise the defined mission and strategic objectives of the monastic community. The strategic review aims to produce a strategic plan to set out the necessary steps in the use of the charity's funds to realise the required KPIs. The trustees engaged a consultant to advise and support the monastic community at Ealing Abbey to articulate a comprehensive strategic plan. Working parties have been formed to prioritise opportunities and address generic challenges with decisions to be made within the next financial year. The trustees will pay due heed to the impact of the Covid-19 pandemic and its consequences, both socially and economically.

Governance, structure and management

♦ Governance

Ealing Abbey is a monastery of the English Benedictine Congregation. It was founded from Downside Abbey at the end of the 19th century and gained its independence as Ealing Priory in 1947; it was raised to the rank of Abbey in 1955. Each monastery enjoys a wide measure of independence but, apart from its membership of a particular Congregation, is linked also with all other Benedictine monasteries worldwide through the Benedictine Confederation. There are 10 monks in the Community at Ealing.

The accounts accompanying this report are those of the charitable trust on which the assets of Ealing Abbey are held. The charity is regulated by a sub-trust of the Downside Abbey Trust Deed dated 1 August 1934, supplemented by two deeds dated 19 January 1948 and 2 July 1955, and in the matter of the Charities Act 2011 by a scheme approved by the Charity Commissioners for England and Wales dated 5 September 1997. The body of trustees was incorporated under the name of 'Ealing Abbey Trustees' by a certificate of incorporation sealed by Order of the Commissioners on 13 March 1997.

The body of trustees consists of between three and seven members of the Monastic Community and is chaired by the Abbot of Ealing Abbey. The Abbot appoints the trustees who by convention are members of the Abbot's Council. This Council, which is run in accordance with Canon Law and the Constitutions of the English Benedictine Congregation, consists of the Claustal Prior and a number of other members, half elected by the Monastic Chapter and half nominated by the Abbot. As members of the Community, the trustees live and work in the Monastery and hence are familiar with the operation of the charity. They attend regular meetings at which matters relating to the running of the charity are explained and debated. Specific training is given also by experts in charity finance and other relevant matters.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts, and brief details of each of the trustees are given below.

Rt Revd Dominic Taylor OSB is the Abbot of Ealing Abbey, being elected during 2019. Before that he was Prior and Bursar as well as a member of the Parish Team and Novice Master.

Very Revd Alexander Bevan OSB is the Prior and Monastic Bursar. He is a qualified Chartered Accountant and doctoral researcher in theology at KU Leuven. He is Chaplain to Ealing Abbey Choir and also serves as a Chaplain at St Benedict's Senior School.

Revd Timothy Gorham OSB is a member of the parish team and the monastic safeguarding lead. He was the Clerical Chair of Christians Together in Central Ealing. He previously worked as a chaplain of the Junior School and is now the Master of Oblates.

Revd Ambrose McCambridge OSB is a monk and Parish Priest of Ealing Abbey. He has had experience of teaching and social work.

Governance, structure and management (continued)

◆ **Governance** (continued)

Revd Peter Burn OSB is an artist and a potter. He leads the Ealing Abbey Lay Plainchant Choir and assists in the Parish.

Any charity will benefit from the expertise that can be provided by a varied body of trustees. In the case of The Trust of St Benedict's Abbey, Ealing, as the trustees can only be chosen from a relatively small group, advisory bodies exist to supplement the knowledge and skills offered by the trustees.

The Trust Finance Committee was set up as an advisory committee appointed by the Abbot with expertise in financial, property, legal and managerial matters. It currently consists of the Abbot, three lay advisers, the Bursar, and the Lay Bursar. The Parish Priest is advised by the Parish Finance and Property Committee as required under Canon Law, as well as the Pastoral Council.

◆ **Statement of trustees' responsibilities**

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 income and expenditure 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 the accounts in accordance with the Financial Reporting Standard applicable in 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.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. 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.

Governance, structure and management (continued)

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

The trustees are responsible for the maintenance and integrity of the 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.

◆ **Structure and management reporting**

The charity is under the overall direction of the Abbot, who is Chair of the trustees. The trustees meet frequently. The trustees determine the general policy of the charity and review its overall management and control. The trustees authorise all major financial decisions within the charity, where necessary seeking the consent of the Monastic Community in accordance with the Constitutions of the English Benedictine Congregation. Consent is required for any project involving extraordinary expenditure exceeding £210,000 (2020 - £180,000) or expenditure on repairs and restorations of buildings exceeding £210,000 (2020 - £180,000).

Each area of the organisation has its own management structure and reporting line to the trustees:

- ◇ Parish matters are the responsibility of the Parish Priest, who heads the Parish Team. The Parish Team is made up of three monks, a secular priest on loan from the diocese, a permanent deacon, a Catechetical Co-ordinator, a Pastoral Co-ordinator, a Parish Co-ordinator for Youth Evangelisation and Formation, and a secretary. In carrying out his functions, the Parish Priest takes into account the views of the laity, principally through two advisory bodies, the Pastoral Council and the Parish Finance and Property Committee. The Pastoral Council advises on any matters that affect the life of the Parish.

The Parish Finance and Property Committee prepares and comments on the annual budget, keeps proper financial records and helps with fundraising. These activities are under the guidance of the overall charity. Minutes of meetings are copied to the Abbot and the Parish finances are reported to the trustees periodically by the Bursar. The Chair of the Parish Finance Committee reports directly to the Monastic Community annually.

- ◇ The Benedictine Institute (BI) was led by the Principal, Revd James Leachman OSB until his death in August 2021. The BI Council meets termly in order to monitor, evaluate, initiate and develop activities. These meetings are attended by the Abbot and a representative of the Monastic Chapter, Revd Timothy Gorham OSB and by the Bursar. Its finances are reported to the trustees periodically by the Bursar.

Governance, structure and management (continued)

◆ Structure and management reporting (continued)

- ◇ Ealing Abbey Counselling Service (EACS) is run by a Directorate of two people: a Clinical Head and a Director of Assessment, Recruitment and Operations. The Directorate reports to the EACS Management Committee. This committee is composed of the Abbot, three lay advisors, the Directorate, and the Lay Bursar. Its finances are reported to the trustees periodically by the Lay Bursar, and the Clinical Head reports directly to the Monastic Community from time to time.
- ◇ The Guesthouse, currently not open to the public, is run by the Guest Master. The Abbey Choir is headed by the Director of the Abbey Choir. The Bookshop is run by a Committee of volunteers. Members of the Monastic Community are involved in all these areas and management accounts are prepared under the direction of the Lay Bursar and are reported to the trustees.

◆ Key management personnel

The trustees consider that they together with the Parish Priest, who heads the Parish Team, the Director – Head of Services of Ealing Abbey Counselling Service (EACS), the Director of the Abbey Choir and Lay Bursar comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

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

◆ Risk management

The overall objective of the risk policy of the Trust is to ensure that all risks which are necessary in order to ensure the Trust achieves its objectives are identified and minimised to an acceptable level. The trustees are responsible for the management of the risks faced by the Trust. The Trust Finance Committee recommends the risk management strategy and is responsible for taking an overview of the whole Trust to ensure that all risks emanating from the Trust's activities are properly managed. During the year, the Bursar had the particular day to day responsibility within the Trust of taking this overall view of risk management and reporting to the Abbot and the Trust Finance Committee.

Detailed considerations of risk are delegated to each of the management committees that supervise the discrete activities undertaken by the Trust. These responsible bodies formally review their risk map on a regular basis and at least annually. Each of these responsible bodies reports annually on their risk management activities to the Trust Finance Committee. The report confirms whether or not risks have been reviewed and highlights any specific risk issue if applicable.

Governance, structure and management (continued)

♦ Risk management (continued)

The trustees believe that by following these procedures, monitoring reserve levels, ensuring controls exist over key financial systems and by examining the operational and business risks faced by the charity, they will continue to ensure that there are effective systems to mitigate risks. In particular, following the recommendations of the Carlile Report in 2011 and IICSA in 2019, the trustees have ensured that additional controls have been put in place in respect of any issues arising that might involve abuse.

The outbreak of the Covid-19 pandemic has clearly presented the Trust with challenges and threats to the well-being of the charity and its activities which could not have been foreseen.

The financial and operational effects of Covid-19 are noted above. Over and above these, the areas identified for particular attention within our risk management strategy are:

◇ Protection of finance and assets

Although financially stable and well endowed with assets, the Trust has limited income streams. Accordingly, as indicated above, the trustees are actively examining how to make the best use of the Trust's properties to generate future income and provide improved and additional facilities for the work of the Trust.

The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the members 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. As the age profile increases, so too does the need to provide care for the members. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual members encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

◇ Safeguarding

In 2020/21 the Trust continued to engage with its Safeguarding partners including the Diocese of Westminster Safeguarding Team, the NSPCC and Praesidium. The latter, which is a US-based non-denominational Safeguarding organisation, acted as an independent auditor into the Trust's compliance with Safeguarding Standards and its implementation of the policies of the former Catholic Safeguarding Advisory Service (CSAS). The Safeguarding Policies and Procedures of the Trust were independently assessed and certified to have met the highest standards in November 2020. Following the implementation of new national Safeguarding Structures in 2021/22, the Trust looks forward to working with the new Religious Life Safeguarding Service (RLSS) and the Catholic Safeguarding Standards Agency (CSSA) in its ongoing compliance with the Safeguarding Standards for the Catholic Church in England and Wales.

Governance, structure and management (continued)

◆ **Risk management (continued)**

◇ Safeguarding (continued)

Operationally the charity works with vulnerable groups including children and the elderly. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that members engaged in any ministry and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). In addition, through its collaboration with its Safeguarding Partners, the Trust ensures all members of the monastic community and employees receive regular and up-to-date training in Safeguarding. Through the Conference of Religious, the Trust actively collaborates in the "Safe Spaces" Joint Anglican and Catholic Church Initiative to provide a vital support service to the survivors of church-related abuse. The monastic community is committed to meeting with, and learning from, survivors of abuse and in its community prayer and discussions are discerning practical ways to maintain a safe environment for all those it serves.

◇ Investments

The charity's principal asset, apart from land and buildings, comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet regularly with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future – and to the charity's Catholic ethos.

By order of the trustees:

Rt Revd Dominic Taylor OSB

Trustee

Approved by the trustees on: 11th April 2022

Independent auditor's report to the trustees of The Trust of St Benedict's Abbey, Ealing

Opinion

We have audited the accounts of The Trust of St Benedict's Abbey, Ealing (the 'charity') for the year ended 31 August 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, 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 2021 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

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 accounts 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.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Reviewed controls over the counting and recording of cash receipts;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of us as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements 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.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

19 April 2022

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 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Income from:							
Donations and legacies	1	443,519	11,860	455,379	544,643	35,144	579,787
Investments and interest receivable	2	580,641	—	580,641	605,352	—	605,352
Charitable activities	3	55,576	232,257	287,833	62,149	236,141	298,290
Other sources:							
. Miscellaneous	4	70,582	1,592	72,174	66,193	—	66,193
Total income		1,150,318	245,709	1,396,027	1,278,337	271,285	1,549,622
Expenditure on:							
Raising funds							
. Investment management fees		15,325	—	15,325	15,858	—	15,858
Charitable activities							
. Ministry and support of members of the Community	5	956,314	57,482	1,016,166	1,211,131	118,911	1,330,042
. Upkeep of the Church and administering the parish	6	359,467	21,424	378,521	332,388	18,278	350,666
. Counselling services	7	—	207,668	207,668	—	204,188	204,188
Total expenditure		1,331,106	286,574	1,617,680	1,559,377	341,377	1,900,754
Net expenditure before other losses	9	(180,788)	(40,865)	(221,653)	(281,040)	(70,092)	(351,132)
Net gains/(losses) on the revaluation and disposal of listed investments	13	281,192	—	281,192	(8,507)	—	(8,507)
Gains on the revaluation of investment properties		920,000	—	920,000	—	—	—
Net income (expenditure)		1,020,404	(40,865)	979,539	(289,547)	(70,092)	(359,639)
Re-measurement of pension deficit provision	16	2,098	—	2,098	(3,000)	—	(3,000)
Net movement in funds		1,022,502	(40,865)	981,637	(292,547)	(70,092)	(362,639)
Reconciliation of funds:							
Fund balances brought forward at 1 September 2020		19,429,660	421,964	19,851,624	19,722,207	492,056	20,214,263
Fund balances carried forward at 31 August 2021		20,452,162	381,099	20,833,261	19,429,660	421,964	19,851,624

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 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	12		2,188,120		2,243,035
Investments	13		18,538,730		17,427,322
			20,726,850		19,670,357
Current assets					
Debtors	14	47,639		141,002	
Short term deposits		327,003		336,998	
Cash at bank and in hand		121,996		149,805	
		496,638		627,805	
Liabilities					
Creditors: amounts falling due within one year	15	(139,150)		(169,407)	
Net current assets			357,488		458,398
Total assets less current liabilities			21,084,338		20,128,755
Provision for liabilities	16		(251,077)		(277,131)
Total net assets			20,833,261		19,851,624
The funds of the charity:					
Income funds:					
Unrestricted funds					
. Tangible fixed assets fund	17		2,188,120		2,243,035
. Programme related investment fund	18		9,784,693		9,784,693
. Designated funds	19		6,525,182		6,597,481
. General funds					
.. Free reserves			2,205,244		1,081,582
.. Pension deficit liabilities			(251,077)		(277,131)
			1,954,167		804,451
			20,452,162		19,429,660
Restricted funds	20		381,099		421,964
Total funds			20,833,261		19,851,624

Approved by the trustees and signed on their behalf by:

Rt Revd Dominic Taylor OSB
Trustee

Approved by the trustees on: 11th April 2022

Statement of cash flows Year to 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(685,341)	(899,217)
Cash flows from investing activities:			
Dividends, interest and rents from investments		585,904	606,942
Purchase of tangible fixed assets		(28,152)	(28,799)
Proceeds from the disposal of listed investments		604,449	616,051
Purchase of listed investments		(553,521)	(444,135)
Net cash provided by investing activities		608,680	750,059
Change in cash and cash equivalents in the year		(76,661)	(149,158)
Cash and cash equivalents at 1 September 2020	B	555,988	705,146
Cash and cash equivalents at 31 August 2021	B	479,327	555,988

Notes to the statement of cash flows for the year to 31 August 2021.

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

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	981,637	(362,639)
Adjustments for:		
Depreciation charge	83,067	73,712
(Gains)/losses on listed investments	(281,192)	8,507
Gains on the revaluation of investment properties	(920,000)	—
Pension deficit remeasurement	(2,098)	3,000
Pension deficit finance cost	2,371	3,000
Pension deficit contributions	(26,322)	(25,555)
Investment income and interest receivable	(580,641)	(605,352)
Decrease (increase) in debtors	88,094	(43,050)
(Increase) decrease in creditors	(30,257)	49,160
Net cash used in operating activities	(685,341)	(899,217)

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	121,996	149,805
Short term deposits (less than three months)	327,003	336,998
Cash held by investment managers	30,328	69,185
Total cash and cash equivalents	479,327	555,988

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

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 2021 with comparative information given in respect to the year to 31 August 2020.

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 and management 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;
- ◆ the allocation of salaries based on the time spent on each activity by staff members;
- ◆ determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure on charitable activities;
- ◆ the judgements made by the trustees and management in estimating the fair values attributed to the charity's investment properties;
- ◆ the estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge;
- ◆ the assumptions made in determining the likelihood of recovering the debtor balances;
- ◆ the assumptions applied in determining the retirement reserve, created in order to provide for the continuing care of the members of the Community;
- ◆ the assumptions adopted by the trustees and management in determining the value of any further designations required from the charity's general unrestricted funds; and
- ◆ estimating the 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.

The Covid-19 pandemic continues to change 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 trustees' control. Whilst the impact on the charity's income and expenditure and financial position of the continuing global Covid-19 pandemic is monitored the trustees do not believe the affect will be significant.

The trustees of the charity have concluded that the charity will have sufficient reserves to meet liabilities as they fall due despite the continuing challenges of Covid-19. The trustees embarked on a comprehensive strategic review in 2020 with the aim of considering the work of the charity in the future and application of the charity's assets so as to ensure the long term sustainability of the charity and to reinvigorate its mission and purpose. Financial projections, both short term and long term, will form an important part of this review. Whilst the review is in progress, the trustees will continue to monitor reserves and budget carefully.

With regard to the next accounting period, the year ending 31 August 2022, the most significant areas that affect the carrying value of the assets held by the charity are the levels of investment income generally and the performance of the listed 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 and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations (including grants receivable) and legacies; investment income from investment properties, programme related investments and listed investments income; interest receivable; income from charitable activities; and sundry income.

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.

Income recognition (continued)

Grants from government, other agencies and voluntary bodies have been included as donations where the money is given in response to an appeal or with greater freedom of use (for example, monies for core funding) and as income from charitable activities where these relate to a specific activity.

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 being transferred to the charity.

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. Income from investment property, comprising rent receivable, is recognised once the income is due under the tenancy agreement or relevant lease. Income from programme related investments comprises rental income from properties used by other registered charities for purposes consistent with the objects of The Trust of St Benedict's Abbey, Ealing and is recognised when due under the lease arrangements between the two charities. Income from all investments is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

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 of payable by the bank.

Income recognition (continued)

Income from charitable activities comprises income in respect to the provision of counselling services; income from the sale of books, pamphlets and the provision of courses; and rental income. Income in respect to counselling services comprises contributions from clients which are voluntary in nature and which are accounted for in a manner consistent with other donations (see above). Income from grants and service level agreements from local government in respect to counselling services are recognised in accordance with the terms of the relevant funding agreement and to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be measured reliably. Income from the sale of books, pamphlets and from the provision of courses etc is measured at the fair value of the consideration received or receivable, excluding any discounts or rebates. Income from the rental of properties to third parties at below market rates in accordance with the charity's charitable objectives, is recognised in accordance with tenancy agreements and to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be measured reliably.

The surplus on the disposal of tangible fixed assets is equal to the difference between the net proceeds from disposal and the net book value of the relevant asset immediately prior to disposal. The surplus is accounted for on completion of the disposal.

Income derived from the Coronavirus Job Retention Scheme is credited to the statement of financial activities once the charity is entitled to the funding and once the amount due has been quantified.

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. All expenses are allocated 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 costs incurred in connection with the maintenance and administration of the charity's investment properties.
- ◆ 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 direct and indirect expenditure on the support of members of the community and enabling their ministry, expenditure on the administration of Ealing Parish and the upkeep of the Church and expenditure on the provision of counselling services. The expenditure on the support of members of the community and enabling their ministry, also includes the legal and professional fees incurred principally in respect to the participation in the work of the Independent Inquiry into Child Sexual Abuse (IICSA) which included Ealing Abbey as part of a case study into abuse within the Roman Catholic Church in England and Wales.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure to enable the Community to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Such costs are identifiable in respect to each charitable activity and hence they are allocated to the appropriate heading directly. There has been no apportionment between headings in the statement of financial activities.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Governance costs are apportioned using percentages based on the expenditure incurred on the activities of the charity.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

All assets are stated at cost net of depreciation.

Depreciation is calculated so as to write-off the cost of each asset, on a straight-line basis, over the expected useful economic lives of the assets.

The principal rates applied per annum are as follows:

♦ Freehold land and buildings	2%
♦ Property improvements comprising enhancements to existing freehold buildings:	
♦ Church project	1%
♦ Other general improvements	10%
♦ Motor vehicles	20%
♦ Furniture, fittings and equipment	33.33%

Fixed asset investments

Listed 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.

The charity does not acquire put options, derivatives or other complex financial instruments.

Fixed asset investments (continued)

Listed investments (continued)

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.

Freehold investment properties

Properties held for investment purposes are included in these accounts at fair value which is deemed to equate to open market value with vacant possession. The valuation has been determined by the trustees, with professional assistance.

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.

Programme related investments

Programme related investments include buildings owned by the charity but occupied by St Benedict's School, Ealing (a separate registered charity (see note 23), for the advancement of education. The buildings are included on the balance sheet based at their carrying value as at the date on which the buildings were made available to St Benedict's School, Ealing. All programme related investments are carried on the balance sheet net of any impairment provisions. Any gains (or losses) arising from the disposal or impairment of such investments are credited (or debited) to the statement of financial activities 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. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

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

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and applied at the discretion of the trustees.

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

The programme related investment fund represents the carrying value of the charity's programme related investments.

The designated funds are monies set aside out of general funds and designated for specific purposes by the trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

Pension costs

Contributions in respect to defined contribution schemes are charged to the statement of financial activities in the year in which they are payable to the scheme.

The charity participates in The Independent Schools' Pension Scheme (ISPS), a pension scheme for non-teaching staff administered by TPT Retirement Solutions (formerly known as The Pensions Trust). The scheme is a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

As a member of the scheme, the charity has a legal obligation to make pension deficit reduction payments when required by the scheme's actuary. The full cost of these repayments, discounted to present values, is recognised in the accounts as a provision for liabilities.

1 Income from: Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Covenanted pensions and monastic income	139,400	1,056	140,456	181,515	714	182,229
Parish collections and donations	280,993	10,606	291,599	294,358	6,531	300,889
Grant income	—	198	198	—	14,869	14,869
Other donations	5,506	—	5,506	21,246	13,030	34,276
Legacies	17,620	—	17,620	47,524	—	47,524
	443,519	11,860	455,379	544,643	35,144	579,787

2 Income from: Investments and interest receivable

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Income from listed investments	61,092	—	61,092	81,109	—	81,109
Income from programme related investments	420,553	—	420,553	434,167	—	434,167
Rental income from investment properties	98,958	—	98,958	88,978	—	88,978
Bank interest receivable	38	—	38	1,098	—	1,098
	580,641	—	580,641	605,352	—	605,352

3 Income from: Charitable activities

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Counselling services						
. Income from grants and funding agreements	—	100,000	100,000	—	100,000	100,000
. Client contributions	—	116,859	116,859	—	116,006	116,006
Rents receivable	53,842	—	53,842	51,745	—	51,745
Other charitable activities						
. Book shop sales	1,734	—	1,734	10,360	—	10,360
. Other courses and activities	—	15,398	15,398	44	20,135	20,179
	55,576	232,257	287,833	62,149	236,141	298,290

4 Income from: Other sources - miscellaneous

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Coronavirus Job Retention Scheme	62,819	—	62,819	66,193	—	66,193
HMRC employment allowance	7,763	—	7,763	—	—	—
Choir income	—	1,592	1,592	—	—	—
	70,582	1,592	72,174	66,193	—	66,193

5 Expenditure on: Ministry and support of members of the Community

Expenditure on the support of members of the Community and their ministry enables the members of the Community to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the advancement of education and the relief of poverty and suffering. Such expenditure comprises:

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Staff costs	344,804	—	344,804	334,096	—	334,096
Premises costs	222,239	3,749	225,988	264,148	12,569	276,717
Personal and living expenses	160,689	525	161,214	194,966	9,574	204,540
Education, training and spiritual renewal	36,095	2,967	39,062	33,795	13,732	47,527
Donations	—	—	—	700	47,735	48,435
Legal and professional fees	42,296	—	42,296	189,395	—	189,395
Support costs	54,584	4,035	58,619	79,593	4,432	84,025
Other costs	88,455	46,206	1034,661	100,604	30,869	131,473
Governance costs (note 8)	9,522	—	9,522	13,834	—	13,834
	958,684	57,482	1,016,166	1,211,131	118,911	1,330,042

Legal and professional fees include expenditure in connection with the participation in the work of the Independent Inquiry into Child Sexual Abuse which included Ealing Abbey as part of case study into abuse within the Roman Catholic Church in England and Wales.

6 Expenditure on: Upkeep of the Church and administering the parish

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Staff costs	112,309	—	112,309	111,535	—	111,535
Church expenses	18,583	—	18,583	13,570	—	13,570
Premises	150,687	—	150,687	121,822	17,698	139,520
Diocesan levies	54,468	—	54,468	56,541	—	56,541
Other costs	17,512	21,424	38,936	25,180	580	25,760
Governance costs (note 8)	3,538	—	3,538	3,740	—	3,740
	357,097	21,424	378,521	332,388	18,278	350,666

7 Expenditure on: Counselling services

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Staff costs	—	149,826	149,826	—	145,307	145,307
Payments to members of the funding consortium (note 20)	—	53,700	53,700	—	53,700	53,700
Support and other costs	—	2,202	2,202	—	3,003	3,003
Governance costs (note 8)	—	1,940	1,940	—	2,178	2,178
	—	207,668	207,668	—	204,188	204,188

Further information about payments to members of the funding consortium are given in note 20 to the accounts.

8 Governance costs

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Auditor's fees (note 9)	13,060	1,940	15,000	13,613	1,687	15,300
Other professional fees	—	—	—	3,961	491	4,452
	13,060	1,940	15,000	17,574	2,178	19,752

Allocated as follows:

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Ministry and support of members of the Community	9,522	—	9,522	13,834	—	13,834
Upkeep of the Church and administering the parish	3,538	—	3,538	3,740	—	3,740
Counselling service	—	1,940	1,940	—	2,178	2,178
	13,060	1,940	15,000	17,574	2,178	19,752

9 Net expenditure before other losses

This is stated after charging:

	2021 £	2020 £
Staff costs (note 10)	606,939	590,938
Depreciation	83,067	73,712
Auditor's remuneration (excluding VAT)		
. Statutory audit		
.. Current year	15,000	15,300
.. Prior year	8,451	5,940
. Non-audit services: HR consultancy and other advisory services	7,248	5,808
FRS 102 interest expense (note 16)	2,370	3,000

10 Staff costs, key management personnel and trustees' remuneration

	2021 £	2020 £
Staff costs during the year were as follows:		
Wages and salaries	517,094	507,596
Social security costs	36,369	37,655
Pension costs	20,844	23,412
	574,307	568,663
Self-employed counselling consultants' costs	22,709	22,275
Redundancy costs	9,923	—
	606,939	590,938
Staff costs per function were as follows:		
Support of members of the Community and their ministry	344,804	334,096
Upkeep of the Church and administering the parish	112,309	111,535
Counselling service	149,826	145,307
	606,939	590,938

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

The average number of employees during the year, analysed by function, was as follows:

	Full time equivalents		Average numbers	
	2021	2020	2021	2020
Support of members of the Community and their ministry	11	11	21	22
Upkeep of the Church and administering the parish	4	4	8	8
Counselling	3	3	7	6
	18	18	36	36

No employee earned over £60,000 (including taxable benefits but excluding employer pension contributions) during the year (2020 - none).

The trustees consider that they together with the Parish Priest, who heads the Parish Team, the Director – Head of Services of Ealing Abbey Counselling Service (EACS), the Director of the Abbey Choir and the Lay Bursar comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

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

The Parish Priest is a member of the Community and as such does not receive any remuneration for his services to the Parish. The remuneration of the Director – Head of Services of EACS is set by the other members of EACS Management Committee i.e. the Abbot, three lay advisors and the Bursar. The remuneration of the Director of the Abbey Choir and that of the Lay Bursar is set by the Abbot, four lay advisors and the Bursar.

The total remuneration of the key management personnel during the year was £92,380 (2020 - £91,671).

10 Staff costs, key management personnel and trustees' remuneration (continued)

Transactions with trustees

No trustee received remuneration in respect to his services during the year (2020 - none)

As members of a religious community the trustees' living and personal expenses during the year were borne by the charity, but they were not reimbursed for any expenses incurred in connection with their duties during the year (2020 - £nil).

As members of The Trust of St Benedict's Abbey, Ealing, none of the trustees have resources of their own as all earnings, pensions and other income has been donated to the charity. During the year, a total of £76,279 was donated by the trustees to the charity (2020 - £91,383).

11 Taxation

The Trust of St Benedict's Abbey, Ealing is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

12 Tangible fixed assets

	Freehold land and buildings (inc. The Cloisters) £	Property improve- ments (inc. Church project) £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Cost					
At 1 September 2020	106,156	4,400,530	44,331	237,017	4,788,034
Additions	—	19,934	—	8,218	28,152
At 31 August 2021	<u>106,156</u>	<u>4,420,464</u>	<u>44,331</u>	<u>245,235</u>	<u>4,816,186</u>
Depreciation					
At 1 September 2020	106,137	2,192,606	43,209	203,047	2,544,999
Charge for year	—	63,060	280	19,727	83,067
At 31 August 2021	<u>106,137</u>	<u>2,255,666</u>	<u>43,489</u>	<u>222,774</u>	<u>2,628,066</u>
Net book values					
At 31 August 2021	<u>19</u>	<u>2,164,798</u>	<u>842</u>	<u>22,461</u>	<u>2,188,120</u>
At 31 August 2020	<u>19</u>	<u>2,207,924</u>	<u>1,122</u>	<u>33,970</u>	<u>2,243,035</u>

13 Fixed asset investments

	2021 £	2020 £
Freehold investment properties (see (a) below)	6,320,000	5,400,000
Programme related investments (see (b) below)	9,784,693	9,784,693
Listed investments (see (c) below)	2,403,709	2,173,444
Cash held by investment managers for reinvestment	30,328	69,185
	18,538,730	17,427,322

(a) Freehold investment properties

	2021 £	2020 £
Fair value at 1 September 2020	5,400,000	5,400,000
Revaluation	920,000	—
At 31 August 2021	6,320,000	5,400,000

Freehold investment properties were revalued as at 31 August 2021 by the trustees, having sought professional assistance, on an open market value basis assuming vacant possession. The trustees regard this as an appropriate estimate of fair value. The cost of these properties is not readily available.

(b) Programme related investments

The programme related investments comprise several properties owned by the charity which have been made available to St Benedict's School, Ealing to be used for educational purposes. These are stated at the net book value at 1 September 2012, the date that these were reclassified as programme related investments. The cost of these properties is not readily available.

(c) Listed investments and cash held for reinvestment

	2021 £	2020 £
Listed investments		
Fair (market) value at 1 September 2020	2,173,444	2,353,867
Additions at cost	541,903	444,135
Disposals at opening market value (proceeds £604,448; realised losses £12,964)	(617,412)	(668,623)
Net unrealised investment gains	305,774	44,065
Fair (market) value at 31 August 2021	2,403,709	2,173,444
Cost of listed investments at 31 August 2021	1,888,443	1,923,042

Listed investments held at 31 August 2021 comprised the following:

	2021 £	2020 £
UK equities and unitised funds	1,347,215	1,393,001
UK fixed interest and unitised funds	335,360	368,666
Overseas equities and unitised funds	643,020	297,754
Overseas fixed interest and unitised funds	58,550	114,023
Commodities and hedge funds	19,564	—
	2,403,709	2,173,444

13 Fixed asset investments (continued)

All listed investments were dealt in on a recognised stock exchange.

At 31 August 2021 listed investments included the following individual holdings deemed material when compared with the overall portfolio valuation as at that date:

	Market value of holding £	Percentage of portfolio %
M&G Global Dividend Fund Shares Class I Income units	172,004	7.2%
Schroder UK Corporate Bond Fund Shares Class C Income units	130,380	5.4%
Capita Trojan Fund	125,700	5.2%
Charities Property Fund	121,123	5.0%

	Market value of holding £	Percentage of portfolio %
2020		
Schroder UK Corporate Bond Fund Shares Class C Income units	158,859	7.3%
Charities Property Fund	157,708	7.3%
Capita Trojan Fund	142,470	6.6%
M&G Global Dividend Fund Shares Class I Income units	137,701	6.3%
Trojan Income Funds Share Class-S	120,204	5.5%
Schroder Strategic Credit Fund Shares-S	112,277	5.2%
Robeco BP Global; Premium Equities Shares-IB	110,914	5.1%

14 Debtors

	2021 £	2020 £
Grants receivable	15,551	32,775
Investment income receivable	8,626	13,889
Deferred rent due from St Benedict's School, Ealing (note 24)	—	82,461
Other debtors	23,462	11,877
	47,639	141,002

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	106,217	139,180
Other creditors	32,933	30,227
	139,150	169,407

15 Creditors: amounts falling due within one year (continued)

Included in accruals and deferred income is deferred income (i.e. grants received in advance) as set out below:

	2021 £	2020 £
Deferred income brought forward at 1 September 2020	23,319	8,500
Additional income deferred during the year	36,575	23,319
Brought forward funds spent in the year	(23,319)	(8,500)
Deferred income carried forward at 31 August 2021	36,575	23,319

16 Provision for liabilities

The charity participates in The Independent Schools' Pension Scheme (ISPS), a pension scheme for non-teaching staff administered by TPT Retirement Solutions (formerly known as The Pensions Trust) (see note 22).

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers report annually on their financial position and this is monitored by the scheme to ensure their financial viability. Employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Actuarial valuation at 30 September 2020

A full actuarial valuation for the scheme was carried out at 30 September 2020. This actuarial valuation was certified on 27 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the Trustee of the scheme has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

	£2,387,357 per annum
From 1 September 2019 to 31 August 2022:	(payable monthly and increasing by 3% on each 1 September)
	£2.69m per annum
From 1 September 2022 to 30 June 2032:	(payable monthly and increasing by 3% on each 1 September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

16 Provision for liabilities (continued)

Deficit contributions (continued)

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement the charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate disclosed below. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	31 August 2021 £'000	31 August 2020 £'000	31 August 2019 £'000	31 August 2018 £'000
Present value of provision	251	277	297	325

Reconciliation of opening and closing provisions

	31 August 2021 £'000	31 August 2020 £'000
Provision at start of period	277	297
Unwinding of the discount factor (interest expense)	2	3
Deficit contribution paid	(26)	(25)
Re-measurements – impact of any change in assumptions	(2)	2
Re-measurements – amendments to the contribution schedule	—	—
	(2)	2
Provision at end of period	251	277

Statement of financial activities impact

	31 August 2021 £'000	31 August 2020 £'000
Interest expense	2	3
Re-measurements – impact of any change in assumptions	(2)	3
Re-measurements – amendments to the contribution schedule	—	—
	(2)	3
Net impact	—	6

Assumptions

	31 August 2021 % per annum	31 August 2020 % per annum	31 August 2019 % per annum	31 August 2018 % per annum
Rate of discount	1.09	0.9	1.10	1.96

16 Provision for liabilities (continued)

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The liabilities are predicted to fall due as follows:

	2021 £'000	2020 £'000
Provision for pension scheme deficit reduction payments		
. Payable within one year	27	26
. Payable within one to two years	27	26
. Payable within two to five years	87	84
. Payable after five years	110	141
	251	277

17 Tangible fixed assets fund

	2021 £	2020 £
At 1 September 2020	2,243,035	2,287,949
Net movement in year	(54,915)	(44,914)
At 31 August 2021	2,188,120	2,243,035

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day-to-day work of the charity, and the fund value would not be easily realisable if needed to meet future contingencies.

18 Programme related investment fund

	Total £
At 31 August 2020 and 31 August 2021	9,784,693

This fund represents the carrying value of the charity's programme related investments. The amount has been set aside from the charity's general funds in recognition of the fact that the assets have been made available to St Benedict's School, Ealing and therefore cannot be regarded as funds that would be available to meet future contingencies.

19 Designated funds

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

	At 1 September 2020 £	New designations £	Utilised or released £	At 31 August 2021 £
Retirement reserve	4,000,000	—	—	4,000,000
Property and strategic development fund	2,400,000	—	—	2,400,000
Parish funds	80,064	280,993	(353,558)	7,499
Other monastic activities funds	117,417	1,734	(1,468)	117,683
	6,597,481	282,727	(355,026)	6,525,182

	At 1 September 2019 £	New designations £	Utilised or released £	At 31 August 2020 £
Retirement reserve	4,000,000	—	—	4,000,000
Property and strategic development fund	2,400,000	—	—	2,400,000
Parish funds	134,827	295,491	(350,254)	80,064
Other monastic activities funds	110,595	16,173	(9,351)	117,417
	6,645,422	311,664	(359,605)	6,597,481

Retirement reserve

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 is reviewed regularly by the trustees in light of the reserves available.

Property and strategic development fund

The property and strategic development fund represents monies designated by the trustees to enable the implementation of the charity's strategic development plan which is in the process of being formulated. This may include decisions to repair, refurbish or replace a number of the charity's freehold premises.

Parish funds

These funds comprise monies set aside for the continued provision, and development, of activities within the Parish. The parish also received funds from the Diocese of Westminster Growing in Faith Fund of £198 (2020- £4,016). The Fund has now closed and no further amounts are expected.

Other monastic activities funds

These funds represent monies set aside for the continued provision and development of various monastic activities carried out by the members of the community.

20 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 2020 £	Income £	Expenditure £	At 31 August 2021 £
Parish funds	106,587	10,606	(21,424)	95,769
Friends of Ealing Abbey Choir fund	13,663	1,592	(6,493)	8,762
Benedictine Study and Arts Centre	15,184	15,398	(18,941)	11,641
Ministry special funds - counselling	209,058	216,859	(207,668)	218,249
The Neocatechumenal Way fund	47,580	—	(28,556)	19,024
Diocese of Westminster – Growing in Faith fund	—	198	—	198
Sick and retired clergy fund	—	525	(525)	—
Church furnishings fund	10,000	—	—	10,000
Other funds	19,892	531	(2,967)	17,456
	421,964	245,709	(286,574)	381,099

	At 1 September 2019 £	Income £	Expenditure £	At 31 August 2020 £
Parish funds	100,636	6,531	(580)	106,587
Friends of Ealing Abbey Choir fund	12,510	12,220	(11,067)	13,663
Church embellishment fund	47,735	—	(47,735)	—
Benedictine Study and Arts Centre	14,255	20,134	(19,205)	15,184
Ministry special funds - counselling	205,204	216,006	(212,152)	209,058
The Neocatechumenal Way fund	56,404	810	(9,634)	47,580
Diocese of Westminster – Growing in Faith fund	13,681	4,016	(17,697)	—
Sick and retired clergy fund	—	9,575	(9,575)	—
Church furnishings fund	10,000	—	—	10,000
Other funds	31,631	1,993	(13,732)	19,892
	492,056	271,285	(341,377)	421,964

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

Parish funds

These funds comprise monies to be used for the continued provision of, and development of, specific activities within the parish. The parish also received funds from the Diocese of Westminster Growing in Faith Fund of £198 (2020-£4016). The Fund has now closed and no further amounts are expected.

Friends of Ealing Abbey Choir fund

This fund comprises monies raised by “Friends” of the choir for use towards Ealing Abbey Choir activities.

20 Restricted funds (continued)

Church Embellishment fund

This fund comprised money received from an individual donor to be used to embellish the Abbey Church. During 2020, with the express permission of the original donor, the monies within this fund were donated to another charity.

Benedictine Institute fund

This fund comprised money donated for the employment of an administrator at the Study Centre together with donations to enable disabled access or bursaries and to develop the library.

Ministry special funds

These funds comprise monies to be applied in support of the work of Ealing Abbey Counselling Service and include grants receivable, contributions from clients and donations received for the services provided.

A Health and Social Care grant of £100,000 (2020 - £100,000) was received from the Ealing Borough Council for providing services through a Counselling Consortium Partnership of five members where Ealing Abbey Counselling Service is the lead member. £36,575 (2020 - £23,319) has been deferred for use in the year to 31 August 2022. Expenditure includes payments made to members of the consortium as detailed below:

	2021 £	2020 £
Metanoia Counselling and Psychotherapy Service ('MCPS')	27,950	27,950
Bereft Bereavement Support ('Bereft')	7,500	7,500
Asian Family Counselling Service ('AFCS')	18,250	18,250
	53,700	53,700

The Neocatechumenal Way fund

The Neocatechumenal Way fund comprises monies collected by the 2nd Neocatechumenal Community in Ealing Abbey to be used to help the poor in the parish.

Diocese of Westminster – Growing in Faith fund

This fund represents grants made available by the Diocese of Westminster, Growing in Faith funds to support various of the charity's work and activities. The Fund has now closed and no further grants are expected.

The income received from the Diocese of Westminster – Growing in Faith fund during the year comprises:

	2021 £	2020 £
Monks Training General Fund	89	1,993
Sick and retired clergy fund (see below)	395	9,574
Diocese of Westminster Fund (Parish) (see above)	198	4,016
	682	15,583

20 Restricted funds (continued)

Sick and retired clergy fund

The sick and retired clergy fund comprises donations and grants received for the care of sick and retired clergy. This year's income includes £395 (2020 - £9,574) received from the Diocese of Westminster – Growing in Faith Fund (see above).

Church furnishings fund

The Church furnishings fund represents a donation received during the year to be used for furnishing the Church.

Other funds

Other funds comprise monies received for specific activities.

21 Analysis of net assets between funds

	General funds £	Tangible fixed assets fund £	Programme related investment fund £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 31 August 2021 are represented by						
Tangible fixed assets	—	2,188,120	—	—	—	2,188,120
Investments	2,354,037	—	9,784,693	6,400,000	—	18,538,730
Net current assets	(150,733)	—	—	125,182	383,039	357,488
Provision for liabilities	(251,077)	—	—	—	—	(251,077)
Total net assets	1,952,227	2,188,120	9,784,693	6,525,182	383,039	20,833,261

	General funds £	Tangible fixed assets fund £	Programme related investment fund £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 31 August 2020 are represented by						
Tangible fixed assets	—	2,243,035	—	—	—	2,243,035
Investments	1,242,629	—	9,784,693	6,400,000	—	17,427,322
Net current assets	(161,047)	—	—	197,481	421,964	458,398
Provision for liabilities	(277,131)	—	—	—	—	(277,131)
Total net assets	804,451	2,243,035	9,784,693	6,597,481	421,964	19,851,624

21 Analysis of net assets between funds (continued)

	2021 £	2020 £
Unrealised gains included above on listed investments:		
Total unrealised gains at 31 August 2021	515,266	250,402
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 September 2020	250,402	293,120
In respect to disposals in the year	(40,910)	(86,783)
Net losses arising on revaluation in the year	305,774	44,065
Total unrealised gains at 31 August 2021	515,266	250,402

The charity's investment properties were acquired many years ago and precise figures for the historical cost of the properties are not available.

22 Pension commitments

The Pensions Trust

The Trust of St Benedict's Abbey, Ealing participates in The Independent Schools' Pension Scheme (the Scheme), which is a funded multi-employer defined benefit (DB) scheme with approximately 5,200 members. The Scheme is contracted-out of the State scheme.

There are four DB structures available, namely:

- Final salary with a 1/60th accrual rate.
- Final salary with a 1/80th accrual rate.
- Career average revalued earnings with an 1/80th accrual rate.
- Career average revalued earnings with a 1/120th accrual rate.

A defined contribution (DC) benefit structure was made available from 1 September 2013.

An employer can elect to operate different benefit structures for different categories of staff.

The Trust of St Benedict's Abbey, Ealing has elected to operate the final salary with a 1/60th accrual rate benefit structure for all members as at the accounting date.

The Trustee of the Scheme commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period The Trust of St Benedict's Abbey, Ealing paid a joint contribution rate of 30.5% comprising employer contributions of 22.5% and member contributions of 8%.

22 Pension commitments (continued)

The Pensions Trust (continued)

As at the balance sheet date there were 5 active members of the Scheme employed by The Trust of St Benedict's Abbey, Ealing. The Trust of St Benedict's Abbey, Ealing continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from the total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2020 by a professionally qualified actuary using the Projected Unit Method was completed on 27 December 2021. The market value of the Scheme's assets at the valuation date was £201.13 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £55.15 million, equivalent to a past service funding level of 78%.

The contribution rates that apply from 1 September 2022 have been determined by reference to the Scheme's 30 September 2020 valuation. The notes below cover the assumptions used in the 2017 valuations.

2020 valuation

The valuation was carried out using the S3PMA for males and S3PFA for females with a scaling factor of 105% post-retirement. The latest release of the Continuous Mortality Investigation Bureau mortality projections, known as 'CMI_2019' were used for mortality projections, with long term improvement rates of 1.5% per annum for males and 1.25% per annum for females being used. The table below illustrates the assumed life expectancy in years for pension scheme members at age 65 using these mortality assumptions:

	Males	Females
	Assumed life expectancy in years at age 65	Assumed life expectancy in years at age 65
Non-pensioners	21.09	23.28
Pensioners	22.24	24.56

22 Pension commitments (continued)

2020 valuation

The long-term joint contribution rates required from employers and members to meet the cost of future benefit accrual were assessed at:

Benefit structure	Long-term joint contribution rate
	(% of pensionable salaries)
Final salary with a 1/60 th accrual rate	48.6
Final salary with a 1/80 th accrual rate	36.6
Career average revalued earnings with a 1/80 th accrual rate	35.8
Career average revalued earnings with a 1/120 th accrual rate	24.1

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

Following consideration of the results of the Scheme's 2020 actuarial valuation it was agreed that the shortfall of £55.16 million would be dealt with by the payment of deficit contributions of £2.69 million per annum from 1 September 2022 to 30 June 2032. These deficit contributions are in addition to the long-term joint contribution rates set out in the table above.

As above, the current employer and employee contribution rates for The Trust of St Benedict's Abbey, Ealing are 22.5% and 8% of pensionable salaries respectively. The allocation of the increase in total contribution required is subject to consultation at the time of signing.

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit, on an ongoing funding basis, by 30 April 2030.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

22 Pension commitments (continued)

2020 valuation (continued)

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

23 Guarantees

◆ The Independent Schools' Pension Scheme

With effect from 1 September 2012, the charity provided to The Pensions Trust such guarantee as it reasonably required in order to permit participation in the ISPS of those non-teaching staff who were members of the ISPS at midnight on 31 August 2012 and who transferred their employment under the legal Deed of Transfer to St Benedict's School, Ealing. The charity carries out an annual review of the guarantee provided using financial information as at 31 August of each prior year to be provided to it by St Benedict's School, Ealing by 30 November. At 31 August 2021, the guarantee provided by the charity to St Benedict's School, Ealing was £3.49 million (2020 - £3.49 million).

In addition, in the event of St Benedict's School, Ealing becoming insolvent, winding up or for any other reason withdrawing from the ISPS, the charity agreed to make good such deficit then arising in respect to those employees as may be calculated by the actuary of the ISPS.

In return for the charity providing the above guarantees, with effect from 31 August 2012 St Benedict's School, Ealing agreed not to offer membership of the defined benefit section of the ISPS to new employees or to employees who are not members of the ISPS as at 31 August 2012. St Benedict's School, Ealing agreed to not exercise any power vested in it as a participating employer of ISPS or grant any discretionary benefit that would increase the liability of the charity under the guarantees without the consent of the charity in writing, such consent not to be unreasonably withheld.

◆ General guarantee

In the event that the charity's auditor determines that St Benedict's School, Ealing is at risk of insolvency, the charity guarantees to:

1. Pay any creditors of St Benedict's School, Ealing; and
2. Provide all necessary financial support to St Benedict's School, Ealing to enable it to continue on its business.

24 Related party transactions

The charity is connected to St Benedict's School, Ealing, (Company Registration Number 8093330 (England and Wales), Charity Registration Number 1148512) ("the School"), by virtue of the fact that the two charities have some trustees in common.

The transactions between the charity and the School during the year were as follows:

- ◆ The School paid £482,134 (2020: £494,764) to the Trust being the rent for the School premises and the properties rented by School employees.
- ◆ The School paid net teaching salaries of £38,544 (2020: £32,217) to members of the Community and £5,000 (2020: £15,000) to a member of the Community who served as a School Chaplain. These salaries were gifted to the charity by the relevant members of the Community.
- ◆ At the year end, the School owed £nil to the Trust under a deferred payment plan in respect of rent, agreed to lessen the impact of Covid-19 (2020: £82,461).
- ◆ The charity also agreed to guarantee the pension liability of the Independent School's Pension scheme as well as pay all creditors and provided assistance in case of the school being declared insolvent.

There are no other related party transactions requiring disclosure (2020 – none).

25 Contingent liability

A contingent liability arises with respect to potential claims against the charity concerning the welfare of children. The amounts involved cannot be quantified at the current time. At the time of signing these accounts, the trustees have been made aware of one legal claim for the settlement of damages. Discussions continue in respect to this claim. No provision has been made within these accounts for any settlement payable and it is not possible at this stage to provide any meaningful estimate of any potential liability.

26 Ultimate control

The charity, which is constituted as a trust, was controlled throughout the period by the English Benedictine Community of Ealing Abbey by virtue of the fact that the Abbot of the Community appoints the trustees. The Community does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Community are vested in the trustees of the charity, which undertake all transactions entered into in the course of the Community's charitable activities.