

Order of Augustinian Recollects St. Rita's Centre

Report and Financial Statements

Year Ended 31 December 2017

Registered Charity Number: 232501

Order of Augustinian Recollects - St. Rita's Centre

Year Ended 31 December 2017

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Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees

31 December 2017

The Trustees are pleased to present their report and financial statements for the year ended 31 December 2017.

They financial statements comply with the Charities Act 2011, the terms of the Trust as described below 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives, Activities and Public Benefit

The Charity carries on part of the work of the religious order known as the Order of Augustinian Recollects in England. Its members (commonly called 'friars') form the 'Delegation of England', which is part of a wider Province of the Order based in Spain.

The Trustees continue to carry out pastoral work both in the Catholic parishes of Holy Family, Honiton and St. Anthony, Ottery St Mary and at St Rita's Centre Honiton, as well as leading a life of prayer, giving retreats, preaching, caring for the Order's retired friars and promoting vocations to priesthood and the religious life. The Charity also provides priests elsewhere where possible.

At its Pastoral Centre at St Rita's, the Charity provides high quality en-suite accommodation for about 30 people and conference facilities for more.

St Rita's Centre is the main place of devotion to St Rita in England. The stained glass windows in the chapel there are central to its design, creating a beautiful and fitting shrine to one of the Order's patrons. The Charity provides a centre where people can find inner peace which often eludes them in life.

The Charity's main objective for the year was to continue that work in the face of a gradually diminishing number of Recollects. This has been achieved by careful allocation of human and financial resources according to greatest need.

The Trustees have reviewed their objectives and activities to ensure they continue to reflect the Charity's aims. In carrying out this review they have considered the Charity Commission's general guidance (since revised) on public benefit.

Personnel

At the end of the year under review, the Delegation of the Order consisted of twelve ordained priests and one brother working in different ministries in England. Of these, five priests and one brother were based at St Rita's.

The friars meet for their prayer in common, meditation and the Divine Office in the morning, at midday and in the evening, and for their monthly meetings. As well as Delegation meetings of all the friars, there are informal gatherings which contribute to the spirit of community in the Delegation and thus to our wider pastoral work.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

The Charity is committed to supporting its members who have spent most of their working lives in the furtherance of its aims, either voluntarily or by covenanting earned income from outside employment.

The Charity does not to any material extent depend on volunteers for the provision of its pastoral work, other than in the context of the parishes which it administers on behalf of the local Diocese.

The Trustees have not set any specific measurable targets since the nature of the Charity's work does not lend itself to such detailed analysis. However, that work continues very satisfactorily despite limited resources. The Trustees have not been able to set aside a designated fund for retirement or establish a reserve against shortfalls in income.

The Centre provides facilities for parish groups, retreats, youth groups, ecumenical groups and individuals seeking the chance to be at peace with God. The Centre remains very popular and is heavily booked. It has proven a considerable boost to the Order's work in England.

St Rita's Centre is being well used by Diocesan groups, religious and ecumenical groups and individuals for private retreats and for youth gatherings, with three retreat days for religious each year and a variety of other gatherings and meetings.

Achievements and Performance

Pastoral Activity Events 2017

Every year St Rita's hosts 'A Day For Religious' on 2nd February, the Feast of the Purification. In 2017 in-service training was held on 12 – 16 September, led by Fr. Paul Panadas who gave several talks on the Recollect Martyrs. Several friars came over from Spain.

The Honiton community was joined by the friars from Ivybridge and the houses in London. These occasions are a great opportunity for all the religious of the Delegation to get together to pray and meet fraternally.

Pastoral Activity in Honiton

The community is divided into three main areas: Parishes, Promotions and the Centre. The purpose of St Rita's is now totally recognised throughout Plymouth Diocese. We are primarily a Retreat Centre but we also offer our services to the local community. The Centre has become a meeting place for the religious of the Diocese. We also host all the local Deanery days. We ran the usual parish 'Days of Recollection'; Lent and Advent retreats with power point projection and meditations. We have taken a few private visitors but at the moment we only accept priests and nuns for individual retreats. The Cursillo Movement, Tres Dias, Beginnings, all use the Centre regularly and see us as a base. The Centre fits the needs of these groups perfectly.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

Achievements and Performance (continued)

St Rita's Centre

The Spanish children from the college in Valladolid came for a course in English in July. They came for 11 days. They had a great time and the weather was mixed. Everyone was delighted with the visit. A second Spanish group from our college in Zaragoza came in August. They also came for 11 days. They had a great time and the weather was mixed. Everyone was delighted with the visit. Bro Terry as usual worked very hard.

The usual Groups visit throughout the year: Hispanic groups, Telephone Esperanza, HCPT, the Council, Kevin Porter, Beginning Experience, CWL, A.A., Pampers days, St Boniface School, Confirmation groups, diocesan meetings, deanery meetings, Blood Donors, deacons retreats, lay retreats, etc.

The staff have all been trained in fire prevention and work very well together.

The local community use the Centre regularly. The Anglican and other Christian churches use it almost weekly. This is a great step in ecumenism. The Town Council also use us regularly, and the Chamber of Commerce use it once a week for conferences.

St. Rita's Promotions

During 2017 we continued our promotion of St. Rita's Centre and St. Rita. Once again we sent three items and two adverts one for the Centre and one for the Promotions were sent to the Plymouth Diocesan Year Book. Promotion in the Plymouth Diocese continues to be important as advertising in the national papers and magazines. We support the Diocesan newspaper Catholic South West with adverts and articles on St. Rita and our pilgrimage to Cascia. We also placed adverts for St Rita's Novena and St Rita's Day in two editions of Catholic South West, three weekly adverts were placed in the Catholic Herald, the Universe and Catholic Times in the run up to the feast of St. Rita of Cascia. The Centre also supports the local Christian Review magazine with an advert. This magazine is available in all the churches in Honiton and district. We also place an advert in the Retreats Magazine which covers England, Scotland, Wales and Ireland. The booklet on the History of St Rita's Promotions, written by our Office Administrator, has been well received with lots of favourable comments. Copies are still available free of charge on request.

Pilgrimage.

Another Pilgrimage was planned in June 2017 to visit Cascia in Italy. Initially it went well but nearer the time the numbers dropped off and in the end it was cancelled.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

Achievements and Performance (continued)

Parish Priest: Fr. Gerald Wilson O.A.R.

The parish continues to be active in all areas of the Liturgy, social and charitable works.

The parish encourages parishioners to take part in the Liturgy by either being a Reader or a Eucharistic Minister or an Altar Server. There is also opportunity for them to offer their services as Offertory collectors, Collection Counters and to serve on church committees.

- The parish has a Parish Council and a Finance Committee.
- The Children's Liturgy is organised every Sunday.
- Holy Communion and Confirmation classes began for 2018.
- Some parishioners serve as offertory collectors, counters and bank the takings each week.
- Under the guidance of Andy the organist, there is a small choir to lead the singing at the 11.00am Mass.
- Tea and coffee is served every Sunday in the parish hall.
- The parish is active in Ecumenical events held in Honiton and supports Churches Together in Honiton.
- Lent & Advent penitential services are held.
- There is a parish newsletter prepared each week by a parishioner.
- The church hall is in regular use bringing in some extra income.
- Regular parish parties are arranged, enabling everyone to meet socially.

Ottery St Mary- St Anthony's Parish

Parish Priest: Fr. Frank Umendia O.A.R.

St Anthony's continues with the usual parish activities and is very involved with Church Together in Ottery. Parishioners are encouraged to be proactive within the parish taking on responsibility for certain aspects of parish life. We are very fortunate to have a Deacon in our parish.

- We have rotas for Church openers (Porters), readers and Eucharistic ministers.
- Our flower arrangers provide an abundance of floral display through the year and there is a church-cleaning rota.
- Some parishioners serve as offertory collectors, counters and bank the takings each week.
- The parish has a very active Parish Council and a Finance Committee.
- The Children's Liturgy is organised every Sunday, with a Family Mass 3 or 4 times a year.
- Latin Schola also sing at Mass about 6 times a year.
- Colin and Elizabeth lead the music at the 9.30am Mass on alternate Sundays.
- A parish lunch was held in February at the Volunteer in Ottery St Mary.
- Proceeds from the Tar Barrel fund raising evening as usual were given to a variety of charities including: HCPT, Sierra Leone, Ottervale Friends of Hospice and Ottery Help Scheme.
- Lent & Advent penitential services are held.
- There is a weekly parish newsletter.
- The church hall is used fairly regularly bringing us some extra income.
- Confirmation classes for 2018 began in November 2017.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

Achievements and Performance (continued)

The Secular Fraternity of the Order

The Secular Fraternity of the Order, established on 30th November 2004 at St Rita's Centre, continues to grow. They continue to meet regularly at St Rita's and further recruitment took place during the year.

Future Upgrades

The house is well equipped to house the elderly and the infirm. It is ideal for vocation weekends or for short visits. To accommodate seminarians permanently, a whole review of the Centre and its work would have to be undertaken. En-suite has now been placed in all the rooms.

Retirement Fund

In 2005, the Trustees sought advice on the size of retirement fund needed to provide for those no longer engaged in pastoral or educational work, or who have left the Order but for whom continuing support is required, according to the Order's obligations and resources. No specific sum is allocated for the latter purpose, since it is not possible to quantify amounts due. No commitments or guarantees have been given in this or any other respect. It was decided that, having regard to sums owed to its connected charity, there was no foreseeable possibility of creating a retirement fund.

Other than stated above, there have been no material changes in the objectives or policies of the Order. No other important events affecting the Charity have occurred between the date of the Balance Sheet and the date of this Report.

Financial Review

The Order does to some extent depend on voluntary donations, some rents and the very occasional legacy to sustain its work. For the purposes of these accounts, no value has been placed on the administration and other services provided by members of the Order.

The Order does not currently engage in fund-raising as such. Historically the Order has been grateful for voluntary donations and legacies to sustain its work. This is in part promoted by a regular 'Letter to our Friends' which is sent to our many benefactors in England, Wales and Ireland. We are very grateful to them for their financial and prayerful support.

The Statement of Financial Activities shows a deficit of £86,351 (2016: deficit of £76,425) after depreciation of £32,208. There were useful increases in stipends, stole fees and rental income, but income from lettings of the Centre and the repository fell. There were also increases in running costs, and despite a reduction in buildings maintenance costs the large overspend (more than one third) as compared with income is a cause for concern. The charity relies largely on voluntary donations from parishioners and users of the Centre at a time of increased charitable expenditure as compared with recent years.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

Financial Review (continued)

The Balance Sheet shows total net assets of £470,515 (2016: £556,867). The net book value of the charity's tangible fixed assets (comprising freehold properties, motor vehicles and fixtures and equipment which are essential to the day-to-day work of the charity and to the care of its members) is well below £1m. Their value is not regarded as realisable in order to meet the ongoing costs of the charity. Also, no value is attributed to the church building which is a heritage asset.

There are no free reserves available to support the work of the charity as creditors substantially exceed cash and investments. So, the charity is heavily dependent on the continuing support of its sister charity as mentioned below.

The Order continues to review its finances, facilities and needs in order to match future income with expenditure, having regard to the increasing number of retired priests especially as to provision for those who need nursing care either now or in the future.

Ideally, the Trustees would aim to build the charity's free reserves to an equivalent of between 2 and 6 months' expenditure, but they acknowledge that the charity's reserves fall considerably short of this target at present. This situation has arisen following the very significant investment in the charity's freehold property over recent years and the losses suffered over the last few years. But, this investment was deemed essential in order to enable the charity to fulfil its objectives and it is felt that the investment has proved to have been very worthwhile, pastorally if not financially.

In 2001 the separate Charity, The Order of Augustinian Recollects Charitable Trust, based in Honiton, Devon, made an interest-free loan to the Charity to fund the upgrading of St Rita's Centre. This amounted to £493,005 at 31 December 2017. Both charities have the common purpose of the maintenance and advancement of the Roman Catholic Church by preaching, teaching and other means and have, amongst their principal objects, the taking care of missions among the faithful.

The Order does not make grants other than occasional small donations to related charities.

Investment powers and performance

The Trustee Act 2000 applies to any investments that the Trustees may make. The Trustees' policy on investments is that, where possible, surplus funds after repayment of borrowing from the Provincial House should be invested so as to give a balance of capital growth and income in order to sustain the work of the Centre, but no such surplus is currently foreseen and there are currently no investments.

Risk Management

The Trustees have identified any major risks facing the Charity and taken such steps as they can to mitigate them. However, at present the greatest risks to the Order are the lack of candidates from the UK or Ireland under training for the religious life and the consequent lack of priests and brothers able to run St. Rita's Centre and the Order's other charitable works or to provide nursing or other care for those friars who have retired.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

Reserves policy

The Trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the charity's work, the level of free reserves should be up to 6 months' ongoing expenditure.

There is also a need to provide for the increasing numbers of retired religious and the cost of nursing care when fewer religious are able to earn an income. However, that target is considered unattainable at the present time as the priority is to maintain the Centre as relatively low-cost.

There are in fact no free reserves at 31 December 2017.

Plans for the Future

The Order continues to review its spending plans and needs and makes every effort to manage its existing assets as efficiently as possible in order to generate the income necessary to achieve the Charity's aims including provision for priests in retirement. In the short to medium term they are satisfied that all the charity's obligations can be met as they occur.

In common with other religious orders, the Order has continued carefully to review both its resources and its future role in this country. The Order intends to remain actively involved in the advancement of its religious and other charitable objects. No material change is proposed, although much will depend on the continuing good health of the remaining active friars.

The intention of the Trustees is to continue to provide pastoral work at the Centre and, over time, to repay the balance on the long-term loan from The Order of Augustinian Recollects Charitable Trust. It is then the intention that the charity will build up free reserves. In the meantime, the charity is dependent on the continuing support of The Order of Augustinian Recollects Charitable Trust - support which the Trustees have no reason to believe will be withdrawn.

As noted above, the Order will continue to resist pressure from the Local Authority for further land to be released. The Trustees must protect the peaceful and serene objectives of the retreat/conference facilities for which St Rita's is known.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

Structure, Governance and Management

Conveyance and Settlement dated 31 May 1934

The Order of Augustinian Recollects charity for St. Rita's Centre is an unincorporated charitable association established by virtue of the above Deed, whereby the then Bishop of the Roman Catholic Diocese of Plymouth conveyed a 14-acre property called Broomhills at Honiton, Devon, to trustees of the Order of Augustinian friars or 'Recollects', to be held firstly for the purpose of erecting and equipping a public church serving 120 people (in addition to members of the Order), on a site and to a specification to be agreed with the Bishop, for the Roman Catholic community in and around Honiton.

A Church was duly built with a parish hall. In carrying out its mission there at its own expense, the Order must "*conform to all lawful directions of the Bishop*". If the Order were to leave Honiton, then it must give 12 months' notice and convey the Church, together with the site of the Church and grounds together totalling between a third and a half of an acre as the site of a Presbytery, to Plymouth Diocese. Alternatively, the Order may offer the Bishop a properly equipped replacement Church and site not more than ½ a mile from Honiton Post Office.

Subject to the above, the property is held for the charitable purposes of the Order, namely the "*maintenance and advancement of the Roman Catholic Church by preaching, teaching and other means and.....the taking care of Missions among the Faithful*" (as in the Deed).

In addition to building the Church and hall (with the aid of contributions from a small parish community and trust funds by other trustees held on its behalf), the Trustees created a College or Seminary first called St Joseph's Missionary College and later St. Rita's College but now it is a residential centre known as St. Rita's Centre.

Conveyance and Settlement dated 19 March 1935

Land adjoining St. Rita's, known as Broomhills Park, was conveyed to the Trustees on 19 March 1935, "*upon trust to allow the same to be used in connection with St. Joseph's Missionary College aforesaid for the general purposes of the charitable work of the said Religious Order as carried on thereat but so long only as the said Missionary College or some other charitable work of the said Religious Order shall be carried on at Honiton by the said Religious Order*".

There is a provision that, if the Order is no longer still active in Honiton, the property (or the capital representing the same) will form part of the endowment of another trust (held for the Roman Catholic parish at Honiton by Plymouth Diocese) which does not benefit the Order. It therefore created a permanent endowment.

The permanent endowment charity created by the 1935 Conveyance is registered as a subsidiary charity of the above trust for the general purposes of the charitable work as carried out by the Order at Honiton. The Conveyance is silent as to powers of the Trustees, who are appointed as above.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

In 2002 the name of the charity was changed to "Order of Augustinian Recollects – St Rita's Centre" to differentiate the charity and its subsidiary trust from the other Order of Augustinian Recollects charity (number 237522) administered by the same trustees.

Governance

The charity is part of an international Order, founded in 1588, of Roman Catholic friars or Recollects who have taken vows for the religious life, many of them as ordained priests. The Order's work in England, which began in the early 1930s, is carried out within what is known to the Order as the 'Delegation of England' under the direction of the Delegate Provincial. He is supported and advised by two elected Counsellors and a Delegation Procurator (Bursar) whom he appoints. As the Delegation is part of a wider Province he in turn submits annual reports to a Provincial of the Order based in Spain.

The Delegate Provincial, as a Major Superior of the Augustinian Recollects, has significant powers as to the acceptance and dismissal of candidates to the Order and as to the disposition of Recollects within the Order's houses in England. He has delegated powers to spend up to £3,000, or £25,000 with the permission of his Council, for the Order's charitable purposes, but he must refer to his superiors in Spain and/or to the friars in England before authorising the Trustees to dispose of property permanently.

In accordance with the Order's own Rules and Constitutions, in addition to their regular meetings as Trustees the Council meets regularly to advise the Delegate Provincial on matters concerning the charity and formal decisions affecting its charitable activities are taken at regular meetings of the Trustees, most of whom serve on the Council.

Recruitment and Appointment of Trustees

The Conveyance and Settlement is silent as to powers of the Trustees. Retiring and continuing Trustees therefore appoint new Trustees under statutory powers, but on the recommendation of the Delegate Provincial. They always include the Prior of St Rita's. Given its nature, it is not considered appropriate to recruit trustees from outside the Order and no policy has been adopted in that regard. No specific training has been given to the Trustees but they have sufficient access to professional and practical advice, especially as members of the Conference of Religious, to understand their responsibilities as charity trustees.

Financial Governance

The Delegation Procurator administers certain funds on behalf of the Order as a whole, again under the direction of the Delegate Provincial. Each year, he submits to the Delegate Provincial and his Council a formal account of his administration of those funds in accordance with the Order's own Rules and Constitutions, in addition to their regular meetings as Trustees. The Council meets regularly to advise the Delegate Provincial on matters concerning the Order and formal decisions affecting its charitable activities are taken at regular meetings of the Trustees, most of whom serve on the Council.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

St. Rita's Centre is administered on behalf of the local Superior or Prior who is answerable, as are the Trustees, to the Delegate Provincial and his Council under the Order's Rules and Constitutions. The Prior has delegated powers to spend up to £800 or £2,000 with the permission of his Council.

Little cash is held, and donations and other receipts are invariably by cheque, as is most expenditure. Internal controls over cash, donations and expenditure are therefore considered adequate.

Key management personnel remuneration

The trustees consider that the Board of Trustees comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

Part of the charity's purposes is to provide for the essential needs of all members of the Order who, by taking vows of poverty, have renounced all personal rights to income and capital. The living costs of the Trustees are therefore borne by the charity in the same way as those of other priests and they receive no benefit by virtue of their position as trustees.

Connected Charities

Other than the Order of Augustinian Recollects Charitable Trust (charity number 237522) there are no related parties or connected charities associated with the Charity, although it continues to work closely with the Roman Catholic Diocese of Plymouth and other charitable bodies. The Prior, Fr Gerald Wilson, is the Vicar for Religious for the Diocese of Plymouth and as such advises the Bishop on matters concerning religious communities in the Diocese.

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

Reference and Administrative Information

Principal Office

St Rita's Centre
Ottery Moor Lane
Honiton
EX14 1AP

Trustees

Father John Docherty
Father Gerald Wilson
Father Hugh Corrigan

Delegation Council

Father John Docherty (1st Counsellor)
Father Gerald Wilson
Father Hugh Corrigan (2nd Counsellor)

Provincial Delegate for England

Father Gerald Wilson

Delegation Procurator (Regional Bursar)

Father Mark Powell
The Presbytery
Chalkhill Road
Wembley Park
Middlesex HA9 9EW

Solicitors

Tozers LLP
Broadwalk House
Southernhay West
Exeter
EX1 1UA

Principal Bankers

HSBC Bank Plc
86 High Street
Honiton
EX14 8JN

Independent Examiner

Neil Hitchings FCA
Francis Clark LLP
Centenary House
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Investment Advisers

M & G Investment Management Ltd
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Great Tower Street
London, EC3R 7XH

Insurance Broker

D E Ford
Poppleton Grange
Low Poppleton Lane
York
YO26 6GZ

Registered Charity Number

232501

Order of Augustinian Recollects - St. Rita's Centre

Report of the Trustees (Cont'd)

31 December 2017

Trustees' responsibilities in relation to the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

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

Approved by the trustees on 17 October 2018 and signed on their behalf by:

Fr Gerald Wilson OAR
Trustee

Order of Augustinian Recollects - St. Rita's Centre

Independent examiner's report to the trustees of the Order of Augustinian Recollects – St Rita's Centre

I report to the trustees on my examination of the accounts of the Order of Augustinian Recollects – St Rita's Centre (the Trust) for the year ended 31 December 2017.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

Signed:

Neil Hitchings FCA
Independent Examiner
Francis Clark LLP
Chartered Accountants
Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

18 October 2018

Order of Augustinian Recollects - St. Rita's Centre

Statement of Financial Activities (SOFA)

Year Ended 31 December 2017

	Notes	Permanent Endowment £	Unrestricted Funds £	Total 2017 £	Total 2016 £
Income					
Donations and legacies	3	-	68,724	68,724	67,774
<i>Income from charitable activities</i>					
Pastoral Centre and similar income	4	-	138,255	138,255	141,390
Rental income	5	-	13,269	13,269	5,117
Other income		-	31,395	31,395	37,586
Total income		-	251,643	251,643	251,867
Expenditure					
Expenditure on charitable activities	6	-	337,994	337,994	328,293
Total expenditure		-	337,994	337,994	328,293
Net movement in funds for the year		-	(86,351)	(86,351)	(76,426)
Reconciliation of funds					
Total funds at 1 January 2017		21,207	535,659	556,866	633,292
Total funds at 31 December 2017		21,207	449,308	470,515	556,866

All comparative Income and Expenditure are attributable to unrestricted funds.

Order of Augustinian Recollects - St. Rita's Centre

Balance Sheet

31 December 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	9		883,267		914,468
Current assets					
Debtors	10	-			9,310
Cash at bank and in hand	11	80,253			124,094
Net current assets			80,253		133,404
Creditors: amounts falling due after more than one year	12		(493,005)		(491,005)
Net assets			470,515		556,867
The funds of the charity					
Capital fund					
Permanent Endowment	13		21,207		21,207
Unrestricted funds					
Income fund	13		130,812		191,429
General fund	13		318,496		344,231
Total unrestricted funds			449,308		535,660
Total charity funds			470,515		556,867

Approved by the Board of Trustees on 17 October 2018 and signed on its behalf by

Fr Gerald Wilson OAR

Trustee

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements

Year Ended 31 December 2017

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Basis of preparation

The financial statements 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

St Rita's Centre meets the definition of a public benefit entity under FRS 102.

Taking into account the continuing support of the charities sister entity, the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Assets and liabilities are initially recognised at historical or transaction value unless otherwise stated in the accounting policy note.

Separate accounts are maintained for the pastoral and other activities carried out as follows:-

St. Rita's Youth & Pastoral Centre
St. Rita's Promotions

The financial statements include the transactions, assets and liabilities of these accounts.

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements (continued)

Year Ended 31 December 2017

b. Accumulated Funds

The accumulated funds, represent the following:-

- **Income Fund (Unrestricted)**
The aggregate of net incoming resources since the trust was founded.
- **General Fund (Unrestricted)**
Land and property in respect of the settlement and conveyance dated 31 May 1934, plus subsequent additions at cost, less accumulated depreciation.
- **Permanent Endowment**
Land in respect of the settlement and conveyance dated 19 March 1935.

c. Fixed Assets

The charity has opted to treat previous revaluations of property as deemed cost on transition to FRS102.

Tangible fixed assets are recorded at cost. Impairment reviews are performed where there is an indication that an impairment has occurred. Fixed assets costing less than £500 are not capitalised.

d. Depreciation

Assets are depreciated over their estimated useful lives as follows:-

- | | |
|-------------------------------------|----------------------|
| • Freehold property, excluding land | 2% straight line |
| • Motor vehicles | 25% reducing balance |
| • Fixtures, fittings and equipment | 15% reducing balance |

e. Creditors (greater than one year)

The interest free loan from the Order of Augustinian Recollects (a sister charity) is considered to be a public benefit entity concessionary loan and as such it is recognised as due greater than one year (in line with the substance of the arrangement) and no discounting is applied.

The loan will be repaid when funds become available to do so.

f. Income

Income is recorded on a receivable basis. Income from bequests and legacies is recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements (continued)

Year Ended 31 December 2017

g. Expenditure

Expenditure is recorded on an accruals basis and has been classified under headings that aggregate all costs related to that category.

- Charitable expenditure comprises those costs incurred by the charity in order to meet its charitable activities.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

h. Value Added Tax

The Trust is not registered for Value Added Tax (VAT). Expenditure in these financial statements therefore includes VAT paid where appropriate.

i. Trustee Benefits

Part of the charity's purposes is to provide for the essential needs of all members of the Order who, by taking vows of poverty, have renounced all personal rights to income and capital. The living costs of the Trustees are therefore borne by the charity in the same way as those of other priests and they receive no benefit by virtue of their position as trustees.

j. Administration

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

2. Status of Trust

The Trust was created by a Conveyance and Settlement of over 14 acres of land known as Broomhills Park, Honiton, from the Roman Catholic Bishop of Plymouth, dated 31 May 1934.

The terms of the Conveyance required the Trustees to erect and complete a Church with seating accommodation for 120 persons and to provide (premises) for the members of the Order of St. Augustine Recollects for its charitable purposes. The Order has existed since 1588 and is devoted to the maintenance and advancement of the Roman Catholic Church by preaching, teaching and other means and has amongst its principal objects the taking care of missions among the faithful.

The Conveyance also required the church and certain land to be vested in a Trust, as directed by the Bishop of Plymouth, for the general charitable purposes of the Roman Catholic Diocese at Honiton, should the Order withdraw from the mission there. A further 7 acres of land at Broomhills Park was conveyed to the Trustees by Leonard Cecil Colin Lindsay on 19 March 1935. The terms of the Conveyance required the Trustees to use the land in connection with St. Joseph's Missionary College (now St Rita's Centre) for the general purposes of the charitable work of the Order of Augustinian Recollects carried on in Honiton.

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements (continued)

Year Ended 31 December 2017

The terms of this Conveyance and Settlement require the land, including proceeds of sale of any part of it, to vest in trustees (who were not members of the Order) of a Trust created by Mr Lindsay's Conveyance of 27 October 1931, should the Order withdraw from Honiton.

In 2002 the Trustees resolved to change the name of the charity to "Order of Augustinian Recollects – St Rita's Centre" to differentiate the charity from the other charity administered by the same trustees.

3. Donations and legacies

	Permanent Endowment	Unrestricted Funds	Total 2017	Total 2016
	£	£	£	£
Donations - general	-	60,294	60,294	58,789
Collections	-	5,030	5,030	5,938
Legacies	-	3,400	3,400	3,047
	-	68,724	68,724	67,774

4. Pastoral Centre and similar income

	Permanent Endowment	Unrestricted Funds	Total 2017	Total 2016
	£	£	£	£
Pastoral Centre income	-	87,258	87,258	90,696
Parish income	-	18,126	18,126	18,059
Repository	-	6,734	6,734	9,804
Donated earnings of members	-	11,809	11,809	12,072
Stipends	-	11,026	11,026	8,045
Stole fees	-	3,302	3,302	2,714
	-	138,255	138,255	141,390

5. Rental income

	Permanent Endowment	Unrestricted Funds	Total 2017	Total 2016
	£	£	£	£
Rental income	-	11,300	11,300	4,254
Printing and duplicating	-	1,969	1,969	863
	-	13,269	13,269	5,117

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements (continued)

Year Ended 31 December 2017

	Permanent Endowment	Unrestricted Funds	Total 2017	Total 2016
	£	£	£	£
6. Analysis of expenditure on charitable activities				
Salaries	-	87,206	87,206	85,987
Fathers' allowances	-	10,807	10,807	8,650
Repository	-	4,632	4,632	10,338
Office Costs	-	35,823	35,823	22,251
Food	-	64,872	64,872	57,162
Chapel and books	-	1,880	1,880	1,513
Advertising	-	5,076	5,076	5,129
Travel	-	4,871	4,871	5,376
Motor	-	7,815	7,815	7,750
Household	-	13,610	13,610	14,578
Rates	-	8,602	8,602	9,219
Energy	-	12,402	12,402	13,528
Repairs and maintenance	-	19,419	19,419	25,338
Insurance	-	9,310	9,310	8,235
Sundries	-	6,135	6,135	6,982
Depreciation	-	32,208	32,208	32,947
Hire of equipment	-	3,813	3,813	2,740
Donations	-	4,250	4,250	6,057
Bank charges	-	3,263	3,263	2,513
Governance costs (see Note 7)	-	2,000	2,000	2,000
	-	337,994	337,994	328,293

7. Governance costs

	Permanent Endowment	Unrestricted Funds	Total 2017	Total 2016
	£	£	£	£
Accountancy services (incl. VAT)	-	1,300	1,300	1,300
Independent examination fees (incl. VAT)	-	700	700	700
	-	2,000	2,000	2,000

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements (continued)

Year Ended 31 December 2017

8. Staff

	2017	2016
	Number	Number
Average number employed in year	8	8
Aggregate amounts paid in respect of:		
	£	£
Wages and salaries	77,059	75,204
Social security costs	10,147	10,783
	<u>87,206</u>	<u>85,987</u>

No employee received emoluments exceeding £60,000 p.a. Trustees received no remuneration in the year - see Note 2(i).

The trustees consider that the Board of Trustees comprise the key management personnel. Part of the charity's purposes is to provide for the essential needs of all members of the Order who, by taking vows of poverty, have renounced all personal rights to income and capital. The living costs of the Trustees are therefore borne by the charity in the same way as those of other priests and they receive no benefit by virtue of their position as trustees.

9. Tangible Fixed assets

	Freehold	Motor	Fixtures	Total
	property	vehicles	and	£
	£	£	equipment	£
			£	
Cost				
At 1 January 2017	1,286,932	47,795	121,728	1,456,455
Additions	-	-	1,007	1,007
At 31 December 2017	<u>1,286,932</u>	<u>47,795</u>	<u>122,735</u>	<u>1,457,462</u>
Depreciation				
At 1 January 2017	411,272	42,836	87,879	541,987
Charge for year	25,738	1,240	5,230	32,208
At 31 December 2017	<u>437,010</u>	<u>44,076</u>	<u>93,109</u>	<u>574,195</u>
Net book amounts				
At 31 December 2017	<u><u>849,922</u></u>	<u><u>3,719</u></u>	<u><u>29,626</u></u>	<u><u>883,267</u></u>
At 1 January 2017	<u><u>875,660</u></u>	<u><u>4,959</u></u>	<u><u>33,849</u></u>	<u><u>914,468</u></u>

The net book value at 31 December 2017 represents fixed assets used wholly for direct charitable purposes.

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements (continued)

Year Ended 31 December 2017

9. Tangible Fixed assets (continued)

The Freehold Property comprises:-

St. Rita's Centre (including the Church of the Holy Family and the adjoining church hall), Otter Moor Lane, Honiton, Devon, £725,000 at valuation and subsequent improvements at cost of £561,932.

The valuation of St. Rita's was provided in a report by Drew Pearce, Chartered Surveyors, dated 31 December 1997, prepared on 23 October 1998. This includes 7 acres of land which is Permanent Endowment with an estimated value of £21,000.

The charity has opted to treat these revaluations of property as deemed cost on transition to FRS102.

10. Debtors	2017	2016
	£	£
Prepayments	-	9,310
	<u> </u>	<u> </u>
11. Cash at Bank and in Hand	2017	2016
	£	£
Current accounts	80,253	124,094
	<u> </u>	<u> </u>
12. Creditors	2017	2016
	£	£
Due within one year:		
Accruals and deferred income	-	-
	<u> </u>	<u> </u>
Due after one year:		
Loan from the Order of Augustinian Recollects	493,005	491,005
	<u> </u>	<u> </u>

During the year, the interest-free loan from the Order of Augustinian Recollects (a sister charity) increased by £2,000, representing the cost of accountancy services paid for by the Main Order, to £493,005. The loan will be repaid when the Trustees consider that the charity has sufficient funds to do so.

Under FRS 102 this is considered to be a public benefit concessionary loan and is therefore recognised as greater than one year without any discounting applied.

Order of Augustinian Recollects - St. Rita's Centre

Notes forming part of the financial statements (continued)

Year Ended 31 December 2017

13. Analysis of net assets between funds

	Permanent Endowment Funds £	Unrestricted Income Funds £	Unrestricted General Funds £	Total Funds £
Fund balances at 31 December 2017 are represented by:				
Tangible fixed assets	21,000	12,345	849,922	883,267
Net current assets	207	171,345	(91,299)	80,253
Creditors due after 1 year	-	(52,878)	(440,127)	(493,005)
	<u>21,207</u>	<u>130,812</u>	<u>318,496</u>	<u>470,515</u>

14. Permanent endowment fund

Under the terms of the Conveyance dated 19 March 1935, as set out in note 1, 7 acres of land known as Broomhills Park represents Permanent Endowment. The income generated from this land has been used to assist in the maintenance and advancement of the Roman Catholic Church.

15. Related Party Transactions

The Order of Augustinian Recollects Charitable Trust and the Order of Augustinian Recollects St Rita's Centre are subject to common control.

At 31 December 2017 the amount owed to The Order of Augustinian Recollects Charitable Trust was £493,005 (2016: £491,005).