

INSTITUTE OF ST ANSELM
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2004

Company Registered Number: 2010021
Charity Number: 294625



INSTITUTE OF ST ANSELM
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2004

CONTENTS	Page
Company information	1
Trustees' report	2 - 5
Auditors' report	6
Statement of financial activities	7
Balance sheet	8
Notes to financial statements	9 - 13

INSTITUTE OF ST ANSELM

COMPANY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2004

MEMBERS OF THE BOARD

Reverend L Kofler
Reverend D Clark
A M H King (resigned 4 December 2003)
M P Azaredo
A I Kneath
Sr M Scott (appointed 21 March 2004)
P Jukes (appointed 21 March 2004)

COMPANY SECRETARY

T Slinn (appointed 21 March 2004)

REGISTERED OFFICE

Institute of St Anselm
26-28 Edgar Road
Margate
Kent
CT9 2EU

AUDITORS

haysmacintyre
Chartered Accountants
Registered Auditors
Fairfax House
15 Fulwood Place
London WC1V 6AY

BANKERS

National Westminster
Northdown Road
Cliftonville
Margate
Kent

SOLICITORS

Stone King
13 Queen Square
Bath
BA1 2HJ

INVESTMENT ADVISORS

St James's Place Partnership
St James's Place House
3 Moorgate Place
London
EC2R 6EA

INSTITUTE OF ST ANSELM

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2004

The trustees, who are also the directors of the charity for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the Charity for the year ended 30 June 2004. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000, and the Companies Act 1985, in preparing the annual report and financial statements of the charity.

CONSTITUTION AND OBJECTS

The Institute of Saint Anselm was incorporated on 14 April 1986 and its governing instrument is its memorandum and articles of association. These define the charity's objects as being:

'The advancement of religion and education throughout the world and in particular but without prejudice to the foregoing the analysis of the process of human growth and the training of individuals (and especially leaders) to foster psychological, physical and spiritual growth.'

The Institute's mission is driven by the conviction that the formation of priests, religious and pastoral workers needs to be more process-orientated if the Church of the future is to become a healing Church. Candidates learn how to grow in love for themselves, others and God through learning to relate to all three.

The Institute is based on the fundamental premise that Christianity will become relevant to the needs of our time when the emphasis changes from its traditional teaching function to its healing ministry. The courses run by the Institute encourage and facilitate a process of inner change and growth in the candidates. This moment of metanoia or spiritual conversion enables them to outgrow their fears and trust themselves in 'the unfolding process of life and meaning'.

ORGANISATIONAL STRUCTURE

The Charity is UK based with its headquarters in Cliftonville, near Margate-on-Sea. The Institute's management structure has three tiers:

- Senior
- Middle
- Team

The support functions are broken down into two departments as follows:

- Maintenance
- Catering

An Advisory Board meets twice each year offering guidance and direction to the Trustees.

In 2003/4 the management of ISA bravely looked at making the transition of moving the Institute 'from family concern to professional organisation'. It was anticipated that this would involve major change – what was not envisaged was the associated cost and the speed of change proposed. This proved to be too ambitious/untenable and the Senior Management Team has reverted back to Fr Len Kofler and Thalia Slinn.

Richard Pavek (SHEN) has taken on the ISA marketing role. Bernd Leygraf is no longer Director of Development or Company Secretary but continues as a supervisor to participants. Rick Arrandale's 6 month contract (Quality Assurance Advisor and the person responsible for validation) has come to an end and he left in October. Peter Booth (fundraiser) has also left.

An organisational review of 2003/4 was completed and the results and recommendations presented to the Director. As a result some of the changes above occurred and existing team members were appointed to head up specific areas of courses.

Year 1 – skills training	Srs. Benedicta, Jacqueline, Mary Gorety
Year 2 – counselling	Fr. Gerard McGill
Year 3 – group work	Sr. Therese Garman
group skills	Sr. Benedicta
Supervision	Fr. Charlie Scanlan
IPD	Fr. TJ O'Connell

INSTITUTE OF ST ANSELM

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2004

There is a review underway of contracts, rules of conduct, disciplinary procedure and employment processes with a view to creating a staff handbook. Job descriptions for all staff members are also being developed. New developments in these areas, if implemented, will inevitably have a significant impact on how individual staff members are managed and supervised, and demand greater awareness of responsibility from those in management positions. However, clearer support and supervision processes and policies can only benefit the Institute and ensure that we are not only complying with the law and avoiding being vulnerable to litigation, but are also following good practice

In 2003 a small centre for training in psycho-spiritual counselling was opened in Kenya. This sister organisation shares the vision of the Institute and provides encouragement that other such centres may be opened in the future in other parts of the world. The training programme in Nairobi is continuing to flourish and achieve great success.

The Institute hopes to build up its contacts within the Church hierarchy with a view to establishing fruitful relationships with the structures of the wider Church. During the year one of the Institute's lecturers taught at Wonerh Seminary and the Director gave a weekend workshop to the Seminary Staff Association.

RELATIONSHIPS WITH OTHER ORGANISATIONS

The Institute co-operated with three organisations during the year in the pursuit of its charitable objectives.

REVIEW OF ACTIVITIES

The Institute's courses continued to be well attended and the Institute has once more experienced a year of fullness and variety. Forty participants completed the Diploma course, twenty-three the Intensive Personal Development Programme and the thirty-five the Summer Course. Over twenty-one participated in the Integrative Spiritual Counselling Course and thirteen participated on the sabbatical course.

FINANCIAL REVIEW

The Institute's income increased in total from £761,388 to £876,954. £217,495 of this income was due to a profit the sale of 45 Royal Esplanade.

Costs in furtherance of the charitable objects increased slightly. Although there was a reduction in course costs, which was matched by a decrease in course fee income as a result of a decrease in participants during the year, other costs rose to offset this.

There were net incoming resources for the year amounted to £47,231 (2003: net outgoing resources: £59,931).

Hardship and establishment fund

The Hardship and Establishment Fund, set up with the aim of assisting those students to attend courses who would otherwise be unable to attend because of financial reasons, stands at £512,693 (2003: £494,393).

At the year end the fund was made up as follows:

	2004 £	2003 £
Investments at market value	510,858	492,558
Reserved for future investment	1,835	1,835
	<u>£512,693</u>	<u>£494,393</u>

INSTITUTE OF ST ANSELM

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2004

FUTURE PLANS

In Summer 2004, a Bursar was appointed, but this appointment was short lived and she left soon after. At the same time, Mark Leach was employed on a one year fixed term contract as Development Officer. In addition to commercial skills, Mark is a qualified social worker and UKCP registered therapist. In the months since being in post he has made contact with a number of local charitable and voluntary agencies. This culminated, on 13th January 2005, where we had the opportunity to host the forum for EKCVS for 80 participants in Trinity House. This provided an opportunity to present ISA to the local charitable and voluntary community and our plans for the community resource centre (Cornwall Gardens). Plans included renting out space to practitioners, local groups, other C&V organisations and possibly developing a community internet café, working in the medium and long term with refugees and those with mental health problems using our trainees.

In November 2004 meetings were arranged with the Mental Health East, Kent Social Services, the community manager for Adult Education and with Sure Start. Mark has also met with several C&V groups who are interested to use the resource and in principle prepared for us to work with their clients. It may be that some C&V organisations will require exit routes for their current activities as their funding was for a specific period. This is where ISA could benefit.

The purchase of the English School was completed on 29th October 2004. Some rooms are required for current course participants for group work, the balance is yet to be agreed. We are intending selling Edgar Road properties and using some of the 'hardship monies' to fund these purchases.

POLICIES

Investments

The Institute has adopted a "total return" strategy in its investment policy balancing capital appreciation with income return. The investment portfolio performed in line with market expectations.

Reserves

Of unrestricted funds totalling £2,803,620, £2,352,275 is tied up in tangible fixed assets and £512,693 is designated as the Hardship and Establishment fund. The year end shows a net current liability position of £59,513. The trustees are aware of this and do not consider it to be a major level of concern as they believe that next year they will once again have free reserves representing approximately two months' expenditure.

RISK MANAGEMENT

The trustees have examined the major strategic, business and operational risks which the charity faces and has set up systems to mitigate these.

INSTITUTE OF ST ANSELM

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2004

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the trustees are required to;

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements were approved by the members of the committee on *27 April* ~~June~~ 2005 and signed on their behalf by:

L Kofler

Reverend L Kofler
Trustee

Registered office;
Institute of St Anselm
26-28 Edgar Road
Margate
Kent

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
INSTITUTE OF ST ANSELM
FOR THE YEAR ENDED 30 JUNE 2004**

We have audited the financial statements of the Institute of St Anselm for the year ended 30 June 2004 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention, modified by the revaluation of investments, and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities. The Trustees are also the directors of the Institute of St Anselm for the purposes of company law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read the other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or apparent material inconsistencies with the financial statements.

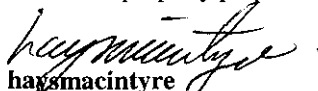
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 30 June 2004 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


haymacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

28 April 2005

INSTITUTE OF ST ANSELM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2004

	Note	Unrestricted Total Funds 2004 £	Unrestricted Total Funds 2003 £
INCOMING RESOURCES			
Donations and Legacies		1,078	-
<i>Activities in furtherance of charitable objects</i>			
Course fees		646,715	743,049
<i>Activities to generate funds</i>			
Interest receivable	4	5,867	10,472
Profit on disposal of fixed assets		217,495	-
Other income		5,799	7,867
TOTAL INCOMING RESOURCES		<u>876,954</u>	<u>761,388</u>
RESOURCES EXPENDED			
<i>Costs of generating funds</i>			
Fundraising costs		24,364	-
<i>Costs to further the charitable objects</i>			
Course costs		671,522	689,867
Support costs	2 a	102,724	113,201
Management and administration	2 b	31,113	18,251
TOTAL RESOURCES EXPENDED	3	<u>829,723</u>	<u>821,319</u>
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR		47,231	(59,931)
OTHER RECOGNISED GAINS AND LOSSES			
Unrealised gains/(losses) on investments	6	18,300	(41,461)
Net movement in funds relating to the year		65,531	(101,392)
Balances brought forward		2,738,089	2,839,481
Balances carried forward		<u>£2,803,620</u>	<u>£2,738,089</u>

All of the activities of the charity are classed as continuing and there were no recognised gains and losses other than those shown in the above SOFA.

The notes on pages 9 to 13 form part of these financial statements

INSTITUTE OF ST ANSELM

BALANCE SHEET

AT 30 JUNE 2004

	Note	£	2004 £	£	2003 £
FIXED ASSETS					
Tangible assets	5	2,352,275		2,120,353	
Investments	6	510,858		492,558	
			2,863,133		2,612,911
CURRENT ASSETS					
Debtors	7	36,338		21,977	
Cash at bank and in hand		100,431		273,214	
			136,769		295,191
CREDITORS: amounts falling due within one year	8	(196,282)		(170,013)	
NET CURRENT (LIABILITIES) / ASSETS			(59,513)		125,178
NET ASSETS			<u>£2,803,620</u>		<u>£2,738,089</u>
FUNDS					
Unrestricted:					
Designated funds	9		512,693		494,393
Other charitable funds			2,290,927		2,243,696
			<u>£2,803,620</u>		<u>£2,738,089</u>

The financial statements were approved by the members of the committee on ^{27 April} ~~June~~ 2005 and signed on their behalf by:

L Kofler

REVEREND L KOFLER
Member of the committee

The notes on pages 9 to 13 form part of these financial statements

INSTITUTE OF ST ANSELM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the revaluation of investments, and in accordance with applicable accounting standards and the Statement of Recommended Practice on "Accounting & Reporting by Charities" (2000) and the Companies Act 1985.

Investment assets

Investments have been revalued at their market value. This gain has been shown as "unrealised gain on investment" in the Statement of Financial Activities.

Commitments and use of designated funds

The designated funds are made up of the Hardship and Establishment Fund. A reservation of cash is made each year, decided on by the Trustees in the General Meeting.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over their expected useful life of that asset as follows:

Equipment	- 15% per annum on net book value
Fixtures and fittings	- 15% per annum on net book value
Motor vehicles	- 25% per annum on net book value

Freehold buildings and improvements are depreciated at a rate of 2% on cost.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Statement of Financial Activities on a straight line basis.

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

Allocation of costs

Costs have been allocated on the basis of all expenses being directly charitable with the exception of administrative staff salaries, audit, professional and legal fees, and other administrative expenses.

INSTITUTE OF ST ANSELM

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2004

2. a SUPPORT COSTS

	Total 2004 £	Total 2003 £
Salaries	72,854	88,247
Office costs	29,870	24,939
Interest payable	-	15
	<u>£102,724</u>	<u>£113,201</u>

2. b MANAGEMENT & ADMINISTRATION

Accountancy fees	1,882	5,206
Audit fees	7,000	7,000
Legal and professional	22,231	6,045
	<u>£31,113</u>	<u>£18,251</u>

3. TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total 2004 £	Total 2003 £
<i>Costs of generating funds</i>					
Fundraising	-	-	24,364	24,364	-
<i>Costs to further the charitable objects</i>					
Direct charitable expenditure	184,995	70,887	415,640	671,522	689,867
Support Costs	72,854	-	29,870	102,724	113,201
Management and administration	-	-	31,113	31,113	18,251
	<u>£257,849</u>	<u>£70,887</u>	<u>£500,987</u>	<u>£829,723</u>	<u>£821,319</u>

The aggregate payroll costs were:

	2004 £	2003 £
Wages and salaries	215,638	222,416
Social security costs	38,293	11,200
Other pension costs	3,918	2,668
	<u>£257,849</u>	<u>£236,284</u>

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2004 No.	2003 No.
Number of directly charitable staff	20	22
Number of administrative staff	6	8
	<u>26</u>	<u>30</u>

No employees received remuneration above £50,000 during the year.

INSTITUTE OF ST ANSELM

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2004

3. TOTAL RESOURCES EXPENDED (continued)					
			2004	2003	
			£	£	
Other costs:					
Food			96,864	109,362	
Repairs and renewals			60,671	96,717	
Teaching			117,443	120,872	
Fundraising			24,364	-	
Other			201,645	189,057	
			<u>£500,987</u>	<u>£516,008</u>	
4. INTEREST RECEIVABLE AND SIMILAR INCOME					
			2004	2003	
			£	£	
Bank interest receivable			<u>£5,867</u>	<u>£10,472</u>	
5. TANGIBLE FIXED ASSETS					
	Freehold Property £	Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 July 2003	2,623,421	256,659	56,798	14,950	2,951,828
Additions	566,485	-	-	-	566,485
Disposals	(334,581)	-	-	(1,105)	(335,686)
	<u>2,855,325</u>	<u>256,659</u>	<u>56,798</u>	<u>13,845</u>	<u>3,182,627</u>
DEPRECIATION					
At 1 July 2003	589,080	188,309	44,346	9,740	831,475
Charge for the year	57,671	10,253	1,868	1,095	70,887
Disposals	(71,734)	-	-	(276)	(72,010)
	<u>575,017</u>	<u>198,562</u>	<u>46,214</u>	<u>10,559</u>	<u>830,352</u>
NET BOOK VALUE					
At 30 June 2004	<u>£2,280,308</u>	<u>£58,097</u>	<u>£10,584</u>	<u>£3,286</u>	<u>£2,352,275</u>
At 30 June 2003	<u>£2,034,341</u>	<u>£68,350</u>	<u>£12,452</u>	<u>£5,210</u>	<u>£2,120,353</u>

All fixed assets are capitalised at cost, are used in direct furtherance of the charity's objects, and are shown at purchase price

Hire purchase agreements

Included within the net book value of £2,352,275 is £3,286 (2003: £4,381) relating to assets held under hire purchase agreements. The depreciation charge to the accounts in the year in respect of such assets amounted to £1,095 (2003: £1,460).

INSTITUTE OF ST ANSELM

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2004

6. INVESTMENTS

Movement in market value	2004 £	2003 £
Market value at 1 July 2003	492,558	484,019
Acquisitions at cost	-	50,000
Disposals at opening book value	-	-
Net gains on revaluations in the year ended 30 June 2003	18,300	(41,461)
Market value at 30 June 2004	<u>£510,858</u>	<u>£492,558</u>
Historical cost at 30 June 2004	<u>£567,621</u>	<u>£567,621</u>

All investments are classified as other non- UK unlisted accumulated investments and do not generate income. By the Trust Deed, the investments were not subject to the limitations of the Trustee Investments Act.

Investments which represent more than 5% of the portfolio are as follows	2004 £	2003 £
St James's Place International European Fund	82,299	86,433
St James's Place International Managed Funds	<u>428,559</u>	<u>406,125</u>

7. DEBTORS

	2004 £	2003 £
Trade debtors	5,960	12,263
Other debtors	30,378	9,714
Prepayments	-	-
	<u>£36,338</u>	<u>£21,977</u>

8. CREDITORS: amounts falling due within one year

	2004 £	2003 £
Trade creditors	13,205	13,698
Other creditors	25,014	513
Deferred income	144,938	143,302
Accruals	13,125	12,500
	<u>£196,282</u>	<u>£170,013</u>

INSTITUTE OF ST ANSELM

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2004

9. DESIGNATED FUNDS

	Balance at 1 July 2003 £	Transfers & (Expenditure) £	Investment Gains £	Balance at 30 June 2004 £
Hardship and Establishment Fund	<u>£494,393</u>	<u>£ -</u>	<u>£18,300</u>	<u>£512,693</u>

The hardship and Establishment Fund was set up with the aim of assisting those students to attend courses that would otherwise be unable to attend due to financial reasons.

10. ANALYSIS OF NET ASSETS IN UNRESTRICTED FUNDS

	Tangible Fixed assets £	Investments £	Other Net Assets / (Liabilities) £	Total £
Unrestricted funds	<u>£2,352,275</u>	<u>£510,858</u>	<u>£(59,513)</u>	<u>£2,803,620</u>

11. RELATED PARTY TRANSACTIONS

Legal fees incurred during the year of £Nil (2003: £1,822) were paid to a solicitor firm of which A M H King is a partner. A M H King resigned as a Trustee on 4 December 2003.

The Trustees are not remunerated for their services to the Institute nor did they receive any reimbursed expenses during the year.

12. COMPANY LIMITED BY GUARANTEE

The Institute of St Anselm is a company limited by guarantee and does not have a share capital