

SISTERS OF THE CROSS AND PASSION

England & Wales · Charity number 1038483

Details

Status Registered

Legal form Other

Registered 1994-06-14

Register [View on the Charity Commission register](#)

Contact

Address 38 Victoria Avenue
Ilkley
West Yorkshire
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Activities

Objects: THE RELIEF OF POVERTY THE PROVISION OF RELIEF ASSISTANCE AND COMFORT TO THE SICK THE PROVISION OF EDUCATION OF THE TEACHINGS OF THE ROMAN CATHOLIC CHURCH IN THE LIGHT OF THE PRECEPTS CONTAINED IN THE SCHEDULE OF THE DECLARATION OF TRUST (OR SUCH OTHER CHARITABLE PURPOSES AS ARE LAWFULLY AUTHORISED FROM TIME TO TIME BY THE CONSTITUTIONS OF THE CONGREGATION BY SUCH MEANS AS ARE BEST SUITED TO THE TIMES AND THE PLACE IN WHICH THE PROVISION IS TO BE MADE

Activities: It is the policy of the Charity to engage in a broad range of Charitable activities: Education, Health Care, Pastoral, Spiritual, Social Care and Financial help in U.K. and Ireland. We fund two projects in Bosnia providing palliative care for the terminally ill. In all our activities we try to respond where the need is greatest.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Bosnia And Herzegovina
- Botswana
- Northern Ireland
- Papua New Guinea
- Peru
- Romania

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|-------------|-------------|-------------|-----------|
| 2025-03-31 | £252,433 | £265,628 | - | - |
| 2024-03-31 | £428,533 | £10,642,102 | - | - |
| 2023-03-31 | £409,681 | £1,049,588 | - | - |
| 2022-03-31 | £1,052,773 | £10,746,842 | £9,813,657 | 5 |
| 2021-03-31 | £14,502,031 | £65,825,254 | £19,227,988 | 364 |

Trustees

| Name | Role | Appointed |
|--|-------|------------|
| Sister Margaret Mary O'Regan C.P. | Chair | 2016-08-09 |
| Sister Claire Antoinette Dawson C.P. | | 2022-08-10 |
| Sister Eithne Donoghue C.P. | | 2025-08-15 |
| Sister Margaret Christina Gorman C.P. | | 2016-08-09 |
| Sister Marie McNeice C.P. | | 2025-08-15 |
| Sister Maureen McNally C.P. | | 2025-08-15 |

SISTERS OF THE CROSS AND PASSION

England & Wales - Charity number 1038483

Accounts



**Sisters of the Cross and
Passion**

Annual Report and Accounts

31 March 2025

Charity Registration Numbers
1038483 (England and Wales)
SCO38416 (Scotland)

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Reference and administrative details of the Charity, its Trustees and advisers

| | |
|--|---|
| Trustees | Sister Claire Dawson C.P. Sister Margaret Gorman C.P. (Sister Carmel) Sister Margaret O'Regan C.P. (Sister Therese) Sister Margaret Steed C.P. (Sister Savio) (Resigned 15 August 2025) Sister Eithne Donoghue (Appointed 15 August 2025) Sister Maureen McNally (Appointed 15 August 2025) Sister Marie McNeice (Appointed 15 August 2025) |
| Province Leader | Sister Margaret O'Regan C.P. (Sister Therese) |
| Province Bursar | Mrs Sakina Lowe |
| Principal address | The Briery Retreat Centre 38 Victoria Avenue Ilkley West Yorkshire LS29 9BW |
| Telephone | 0161 655 3184 |
| Email | pltcpsisters@gmail.com |
| Website | www.crossandpassion.com |
| Charity Registration Number - England and Wales | 1038483 |
| Charity Registration Number - Scotland | SCO38416 |
| Accountants | Buzzacott Audit LLP 130 Wood Street London EC2V 6DL |
| Auditor | Saffery LLP 10 Wellington Place Leeds LS1 4AP |

Reference and administrative details of the Charity, its Trustees and advisers

| | |
|---|---|
| Investment managers | Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU |
| | Rathbone Investment Management Limited Port of Liverpool Building Liverpool L3 1NW |
| Principal bankers | The Royal Bank of Scotland plc 1 Dale Street Liverpool L2 2PP |
| Solicitors England and Wales | Wrigleys Solicitors LLP 3rd Floor, 3 Wellington Place Leeds West Yorkshire LS1 4AP |
| Solicitors Northern Ireland | Conway, Todd & Co 22 Market Square Antrim BT41 4DT |
| | Edwards & Co 28 Hill Street Belfast BT1 2LA |
| Finance and General Purposes Committee | Elizabeth Wilson, Wrigleys Solicitors LLP Amanda Francis Andrew Mather, CS2 Chartered Surveyors |
| Insurance Brokers | Marsh Commercial, UK |
| Energy Broker | Charles Lowe, EnergyFlowe Limited, UK |

Report of the Trustees Year to 31 March 2025

The Trustees present their statutory report, together with the accounts of the Sisters of the Cross and Passion (the 'Charity'), for the year ended 31 March 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 28 to 32 and comply with the Charity's Trust Deed, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Irish Charities Act 2009. The accounts also comply 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 the Republic of Ireland (FRS 102).

PART ONE

CHAPTER ONE – Who we are

Introduction

The Sisters of the Cross and Passion is an international Roman Catholic Religious Congregation founded in industrial England in 1852. It is divided into several individual areas and provinces under the authority of the Congregational Leadership Team (CLT), members of which reside in the UK, Chile, Australia and the USA. Their offices are in Larne, Antrim, Northern Ireland. The Team comprises the Congregational Leader and a team of three Sisters.

The Sisters from St Paul's Province live in England and Wales. The accounts accompanying this report are those of the charitable trust on which the assets of St Paul's Province were held until 31 March 2021 and on which the assets of the central congregation (the Charity) are held still. The Charity is governed by a Trust Deed dated 25 March 1994 and is registered with the Charity Commission:

| | | |
|-----------------------------|-------------------|----------|
| Charity Registration Number | England and Wales | 1038483 |
| Charity Registration Number | Scotland | SC038416 |

In recent years, the trustees have been working on a project to de-merge the Province and the Congregation and simultaneously to incorporate the Province. This process has now been completed.

With effect from midnight on 31 March 2021, in accordance with a legal transfer of undertakings dated 31 March 2021 and a resolution of the trustees, certain activities, assets and liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO): Sisters of the Cross and Passion CIO, Charity Registration Number 1185348 (the 'successor Charity'). Other central congregational (CLT) assets and liabilities remain in the Charity. The Sisters of the Cross and Passion CIO is now the main vehicle for delivering the Province activities.

PART ONE (continued)

CHAPTER ONE – Who we are (continued)

Mission and Objectives

The corporate mission of the Sisters of the Cross and Passion is to witness to the reconciling, forgiving and compassionate love of God through openness to the needs of the world and especially those of the poor and marginalised.

The Sisters of the Cross and Passion identify with Christ in his Passion, Death and Resurrection. We aspire to a more just and compassionate world, where the rights and dignity of the whole of creation is upheld and respected.

What follows is an account of the work of the Charity from April 2024 to March 2025. Benefits are identifiable and touch the lives of the people whom the Sisters seek to serve in all their ministries.

The objectives of the Sisters of the Cross and Passion, as stated in the Trust Deed, are the relief of poverty, the provision of relief assistance and comfort to the sick, the provision of education and the advancement of the teachings of the Roman Catholic Church (or other such charitable purposes as are lawfully authorised from time to time by the Constitutions of the Congregation) by such means as are suited to the time and place in which the provision is to be made.

To fulfil these objectives the Sisters regularly evaluate their pastoral activities in the light of their Charism, present day needs and requests for help in new ministries and new localities. Policies and procedures are reviewed and updated regularly in accordance with statutory regulations and congregational objectives.

As Sisters of the Cross and Passion we hope that our lives witness to the reconciling, merciful and compassionate love of God. We are covenanted to be bearers of the mercy of God by responding to the needs of the world in our time, as Venerable Elizabeth Prout, our foundress, did in hers.



PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans

1 Pastoral and Spiritual Care

The Congregational Leader, helped by her Councillors (CLT Team), has the overall pastoral responsibility for all of the Sisters in the Congregation and must comply with statutes laid down in Canon Law and the Constitutions of the Sisters of the Cross and Passion (The Covenant of the Passion) as well as the civil/charity laws of the various countries in which the Sisters reside. The Sisters live in the UK, Republic of Ireland, USA, Argentina, Chile, Peru, Botswana, Vietnam and Australia.

One of their major pastoral duties is to communicate with and visit all the Sisters in the Congregation. While we are now able to engage in pastoral visits we continue to hold meetings on Zoom in an effort to reduce our carbon footprint. These meetings are an effective way of promoting unity in the Congregation whose members live on five Continents.



A Tree was planted at the CLT Office on the Opening Day of the Virtual Assembly.



Congregation International meeting on Zoom

In September 2024 the Leadership Team held a live meeting in Drumalis, Larne. Unfortunately, one of the Team members from the USA died very suddenly which brought the meeting to an abrupt and very sad end. The Congregational Leader and another Sister accompanied her remains back to Connecticut for burial on 7 October 2024.

Norm 102 Covenant of the Passion:
The General Chapter is the highest legislative body in the Congregation. The Ordinary General Chapter meets every six years, at which the Congregational Leader and her Councillors are elected and policies which will foster the mission and administration of the Congregation are put in place. For the first time in our history this Chapter took place online with preparation involving many online meetings in 2020/21/22. The Chapter concluded in June 2022 when the Congregational Leader and her Councillors were elected. There followed a twelve day, live meeting for the newly elected Team, in Drumalis, Larne in September 2022 to plan the implementation of the Chapter recommendations for the next six years.

PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans (continued)

2 Education

Whilst the work of the Sisters in the Congregation in earlier years was in education, we now see this legacy carried forward in schools and colleges, which were set up by the Sisters in the various countries in which they are resident. One such institution in England, with which the CLT is still involved, is:

Leeds Trinity University



Leeds Trinity University (LTU) was co-founded by the Sisters of the Cross and Passion and the Catholic Education Service as a teacher training college in 1967. In the fifty eight years since its foundation it has transformed itself into a university renowned for teaching excellence and has been ranked by the Times and Sunday Times as the sixth best university in the country for teaching quality. Leeds Trinity offers undergraduate, postgraduate, foundation and top-up courses, as well as apprenticeship and work-based learning.

In accordance with the Articles of Association, the trusteeship of the University remains with the Diocese of Leeds. While the Sisters are no longer actively involved in the day-to-day life of LTU, the Congregational Leader has a representative on the Board of Governors, who keeps her informed of developments. Her role is to promote the spiritual ethos, which is part of the heritage of the University. The CLT are consulted on the appointment of new trustees to the Board and have the right to nominate up to five people to be independent on the Board.

The updated mission statement of LTU reads:

“Our mission is guided by our Catholic identity and faith foundation...We are committed to the promotion of dignity, respect, social justice and equality in order to deliver positive social and economic impacts.” (LTU Mission Statement.)

It is encouraging to hear that the statement does not just remain on paper, but that LTU was the first university in Yorkshire to achieve the *Race Equality Charter (REC) Bronze Award* in November 2020. This was followed by the *Gold Whatsuni Student Choice Award* in 2022 for diversity and inclusion and was short listed for *Outstanding Contribution to Equality, Diversity and Inclusion* at the *Times Higher Education (THE) Awards* in 2022.

Leeds Trinity was delighted to start 2025 in style with the city campus being formally opened by the Bishop of Leeds, Rt Rev Marcus Stock. A blessing service was held to mark the occasion on Wednesday 15 January, followed by a ribbon cutting ceremony.



PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans (continued)

2 Education (continued)

Leeds Trinity University (continued)

The city campus opened its doors for teaching in October 2024, with programmes now being delivered in the schools of Business; Construction and the Built Environment; Computer Science; Criminology; Investigating and Policing and Law.

Its special facilities include a board room, law court, custody suite and labs to enhance learning opportunities and familiarise students with the environments and equipment they will regularly experience once they have graduated,



It is clear that the university is firmly focused on the future, on delivering exceptional opportunities for students, and on the contribution they can make to enhance outcomes for all in the community.

These are some of the values that we, as sisters of the Cross and Passion aspire to and are happy to see implemented.



PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans (continued)

2 Education (continued)

Formation/Education

One of the pastoral responsibilities of the CLT is to coordinate an *international formation/education programme* for young Sisters, who are joining the Congregation. Most of the older, established areas in the Congregation



First Profession of three Sisters August 2024

have sufficient funding and personnel to run their own programmes, but newer areas require both financial support and support with personnel. The area where there has been most development in the past year is Vietnam. The numbers of young Sisters in Vietnam who require formation are increasing. Financial support has been given for formation during the year 2024/25. We envisage that this support will continue for the next four years until this area of the Congregation becomes self-sustaining. The Congregational Leader visited after the year end in May 2025. In the meantime, the General Councillor who lives in Australia, has made two visits in the 2024/25 period. One of these visits was for the first Profession of three Sisters in August 2024.



One of the Government requirements, for Sisters in Vietnam, in order to be fully registered as a religious Congregation, is that they own their own property. In earlier years, the charity has contributed to the building of a house in Dong Nai Province which was completed in August 2023. The sisters are now registered in that Diocese.

In March 2024, the purchase of a property in Ho Chi Minh city was completed so that the Sisters can also register in the Diocese of Ho Chi Minch. Once that registration is completed, they can then seek Government registration. Once full Government registration is completed the sisters will then be able to seek employment and establish ministries for the poor.



Other areas which require support are Botswana and Peru, where the Sisters, in spite of low numbers, are carrying out outreach work amongst the very poor.

PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans (continued)

2 Education (continued)

Justice/Education



Passionists International

Passionists International is one of a number of groups of Religious men and women who work as NGO representatives at the United Nations. We believe that the presence of Religious in such a complex diplomatic system can give an independent voice that promotes the development of the weakest and most disadvantaged peoples. From its beginning, Passionists International has promoted the defence of vulnerable populations (particularly indigenous ones), the development of policies to protect those social groups more susceptible to poverty, as well as women's rights, especially girls. They have recently added the topics of emergency migration and care of the planet to their remit. The CLT and the Passionist men's community agreed to provide financial and personnel support to Passionists International at the United Nations for the next two years. In 2024/25 the Charity contributed £16 942 57 (21 000 USD) to this project. A part-time administrator has been appointed for Passionists International. The Congregational Leader met with the administrator during her visit to the Sisters in the USA in October 2024. The trustees are keeping the support of this project under review.

3 Missions

A mission outreach has always been a part of our Charism. Many of our Sisters in the Congregation have had experience of working and living on our Missions. The provision of financial support and personnel is the responsibility of the CLT. Any contributions, donations or legacies for the Missions are channelled through the CLT.

Chile

In February 2024 devastating fires in Quilpué, Limache and Villa Alemana in Chile's Valparaiso Province destroyed more than 1,000 homes and many people lost their lives. Among the houses destroyed was one which the Sisters were renting. According to some reports the fires were among the deadliest in recent decades in Chile. This past year the Sisters have been helping the local people rebuild their homes.



Sisters' house rebuilt this year

PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans (continued)

3 Missions (continued)

Argentina (continued)

In March severe storms and heavy flooding wreaked havoc in parts of Buenos Aires. Flood Lists has recorded eight significant flood events in Northern Argentina since the start of 2024. One of the areas affected in March was Corrientes where two people died and over 800 were displaced. This also is one of the areas where our Sisters are living.



The CLT received a legacy of £13,367.90 which was sent in April 2024 to help families who had lost homes in the fires in Quilpúe, Chile and the floods in Corrientes, Argentina.

Pachacutec, Lima, Peru

After Cairo in Egypt, Lima, Peru is the second largest city in the world, located in a desert. 66% of Peru's population, some 20 million people, live in the coastal zone where there is a chronic water shortage. Pachacutec, located in the north west of Lima, is one of the poorest areas of the city. It has a population of 180,000 people. Thousands of people were relocated to this area with little or no infrastructure in place. Three of our Sisters live there and occasionally need some support for the work they are doing.



Pachacutec, Lima, Peru

PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans (continued)

3 Missions (continued)

Pachacutec, Lima, Peru (continued)

The Congregational Leader visited all three countries in South America in April/May 2024. She witnessed the work the Sisters are doing among the poor and destitute people. Money which is channelled through the Charity to South America certainly goes to help the poor. Most of the Sisters are living in the barrios with the poor.

Botswana

Again a country located in a semi desert area where two Sisters work in outreach projects to help the poor. One such project was the acquisition of a piece of land on which to grow crops in a poor rural area; *Mmamhiko*. We funded the sinking of a bore hole to provide water two years ago and followed with funding for farm implements in 2023.

Photos show progress and harvesting.



BORE HOLE.....& HARVEST A YEAR LATER



HARVESTING MAIZE, SHELLING MAIZE & SWEET REED.....& CRUSHING BEANS

The Congregational Leader visited the Sisters in Botswana in June 2024 to attend the final Profession of one of the Motswana Sisters. She also made an emergency visit in February 2025, as one of the Sisters was critically ill and it was feared that she would not live. As there are only two Cross and Passion Motswana Sisters in Botswana at present, it was felt that they would need some support, so a sister from Ireland has moved there temporarily to give that support.

PART ONE (continued)

CHAPTER TWO - Activities, Achievements, Future Plans (continued)

4 Future Plans

- ◆ To encourage all Sisters in their ministries, encouraging them to live by the *Directives for Ministry* set out in our Congregational Chapter 2022.
- ◆ To continue to live out our *Organic Participative Model of Leadership* in the Congregation through consultation and discernment.
- ◆ To encourage as many Sisters as possible to use Zoom as a means of communication so that as a Congregation we may have a greater sense of unity.
- ◆ To be faithful stewards of the work entrusted to us by:
 - ◇ valuing the resources of the Charity;
 - ◇ maintaining, developing, donating or selling property in a responsible manner and in accordance with Charity Law guidelines;
 - ◇ using the financial resources of the Charity in a responsible manner. In these matters listening to our advisors;
 - ◇ to explore the possibility of transferring the assets of the Charity to a charitable incorporated organisation (CIO);
 - ◇ being alert to any changes in Charity Law, which will affect the Charity.

PART ONE (continued)

CHAPTER THREE – Financial Review

1 Income

Income is generated through:

- ◆ Annual capitation from areas of the Congregation;
- ◆ Bank deposit interest;
- ◆ Investments;
- ◆ Legacies and donations.

2 Expenditure

The main role of the Congregational Leadership Team (CLT) is the pastoral care of the Sisters and having an overview of the charitable activities of the Congregation. The Congregational Leader is the official representative of the Congregation in the Roman Catholic Church.

Before the advent of Covid this involved the team travelling to all areas where the Congregation was situated. During and since Covid, travel expenses have greatly reduced, but with the increasing use of online video communication, other expenses have increased, such as investment in IT services, equipment and skills in order to facilitate digital communication throughout the Congregation. Now that travel is allowed, it will be incumbent on the Leadership Team to make pastoral visits to the Sisters in different parts of the world. However, we are conscious of the cost of air transport in terms of our carbon footprint and the damage to the planet, so we will continue to hold many of our meetings on Zoom. To facilitate better communication among all our Sisters we have upgraded our Zoom package to include translation transcripts. We have also replaced two computer monitors in the CLT office.

During 2024/25 the Congregational Leader has visited the Sisters in Botswana, USA and all the houses in the UK and the Republic of Ireland. Team members have visited Vietnam, Peru and Argentina. Therefore, travel expenses have increased.

Expenditure of the Charity comprises:

- ◆ administration expenditure, which includes renting office space, payment of staff and any travel expenses;
- ◆ Sisters' healthcare and living expenses in developing areas such as Peru, Botswana and Vietnam;
- ◆ donations and financial support to the Congregation's Mission projects;
- ◆ formation and education support for our young Sisters;
- ◆ those costs associated with the management of the Charity's investment portfolios and the compliance with regulatory and statutory requirements;
- ◆ the CLT and the Passionist men's community agreed to provide financial and personnel support to Passionists International at the United Nations for the next two years.

PART ONE (continued)

CHAPTER THREE – Financial Review (continued)

3 Tangible fixed assets

Tangible fixed assets consist mainly of buildings with their fittings and furniture and plants in our convents. The Charity owns office equipment in its office in Drumalis Retreat Centre.

4 Results for the year

The statement of financial activities for the Charity shows net expenditure before listed investment losses and fair value gains on the assets held for sale of £13,195 (2024 – £10,213,569) with total income amounting to £252,433 (2024 – £428,533) and expenditure prior to donations to the Sisters of the Cross and Passion CIO of £nil (2024 – £9,820,000) amounting to £265,628 (2024 – £822,102).

Total income for 2025 includes £28,449 (2024 – £54,659) of donations, legacies and similar income. Other major categories of income include investment income and interest receivable, and grants receivable from the UK Province.

Total expenditure for 2025 was £265,628 (2024 - £10,642,102) and included donations to the Sisters of the Cross and Passion CIO of £nil (2024 – £9,820,000). Total net expenditure before investment gains (losses) for the year, therefore, was £13,194. After listed investment gains of £57,196 (2024 – gains of £485,104), and losses on the disposal of the property arising from professional fees of £nil (2024 – £192,221), there was a net increase in funds of £44,001 (2024 – a net decrease in funds of £9,920,686).

5 Investment performance

The purpose of holding listed investments is to earn income to be used to facilitate the work of the CLT and further the charitable work of the Congregation now and in the future. The Congregation has discretionary investment agreements with Sarasin & Partners LLP and Rathbone Investment Management Limited.

Representatives of the Trustees meet with the fund managers and financial advisers during the year to ensure that the funds are managed in accordance with the investment policy and the religious and ethical principles of the Congregation.

The objective of the fund managers is to achieve a reasonable return of both income and capital growth with no more than a conservative to moderate level of risk. The performance and structure of the principal portfolios continues to be closely monitored.

An income yield of 2.4% (excluding interest on cash held by the investment managers) was achieved, and the investments produced a capital yield of 0.9%.

PART ONE (continued)

CHAPTER THREE – Financial Review (continued)

5 Investment performance (continued)

At the end of the year the Charity's portfolio of listed investments comprised 54.7% unitised equity funds, 11.5% UK equities, 4.9% fixed interest based funds, 1.3% overseas unit trusts, 22.4% property based investments and 5.2% alternative investments.

The market value of the listed investments increased by £167,178 from a market value of £7,123,934 at the end of March 2024 to a value of £7,291,112 at the end of March 2025, an increase of 2.3% after accounting for additions and disposals of listed investment holdings.

6 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 Charity is dependent in part on investment income generated by the listed investments held to enable it to meet its ongoing expenditure. The Trustees estimate that this income needs to be approximately £160,000 per annum and hence based on an income yield of 2.5%, the value of the Charity's investment portfolio needs to be approximately £6.5 million. Consequently, the Trustees believe the Charity's free reserves should at least equal this figure plus an amount at least equal to annual unrestricted expenditure, which for the year ended 31 March 2025 was approximately £0.3 million. This gives a total target level of free reserves of approximately £6.8 million. The Trustees consider that, given the nature of the Charity's work and its commitments, it is prudent to retain this level of free reserves.

7 Financial position

The balance sheet shows total reserves at 31 March 2025 of £7,987,662 (2024 – £7,943,661).

The tangible fixed assets fund, representing the value of assets unavailable for application without realisation, totals £55,820 (2024 – £59,851) and represents tangible fixed assets.

Free reserves at 31 March 2025, which were available for the Charity to conduct its day-to-day activities amounted to £7,931,842 (2024 – £7,883,810).

Whilst this level of free reserves is slightly above that demanded by the above policy, given the current macroeconomic and geopolitical climate across the world, the Trustees deem the free reserves to be adequate but not excessive.

PART ONE (continued)

CHAPTER FOUR – Trustee Duties and Compliance with Charity Requirements

1 Property – sales, donations, ongoing development, maintenance

St Gabriel's Hall

On 5 July 2023, the Charity completed the sale of St Gabriel's Hall, a property that had been used as an all-female hall of residence for Manchester University and which was leased to the University on a peppercorn rent. The sale included the adjoining Imani Centre. The sale of this property realised proceeds of £11,007,775. In 2024 £9,750,000 of the money received from the sale was transferred to the successor charity, Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and has been invested to enable the CIO to continue its work into the future. The residual proceeds were retained by the Charity to assist the work of the Congregational Leadership and provide working capital. Some of that capital has been used to purchase a house for the Sisters in Vietnam, in Ho Chi Minh City. The purchase was completed in March 2024. This house is close to the University where the young Sisters study. Given its location, a possible future use might well be as a hall of residence for women attending the university. It is fitting that some of the monies generated from the sale of St Gabriel's Hall was used for the purchase of this property.

2 Policies, Reports and Plans

We reviewed our: *Risk Management Policy*
Disaster Plan
Safeguarding Policy
GDPR Policy

We compiled our: *Charity Annual Report and Accounts (UK)*

3 Safeguarding

The CLT is responsible for ensuring that Safeguarding Policies are in place throughout the Congregation.

4 Archives

One Sister is engaged full-time in preserving the archives of the Congregation. She ensures that all collections are sorted, carefully stored and remain confidential. Finding a permanent home for the storage of our archives still remains one of our goals.

5 General Data Protection Regulation (GDPR)

With the help of our solicitors we have drawn up an umbrella Data Protection Policy for the Charity, which covers the processing and control of data from four main areas: employment data; data relating to Sisters in care; data relating to the users of our retreat centres and data kept on individual Sisters in the Congregation's office. This policy is reviewed on an annual basis.

6 Investment Policy

The Charity's investments are managed by Sarasin & Partners LLP and Rathbone Investment Management Limited.

PART ONE (continued)

CHAPTER FOUR – Trustee Duties and Compliance with Charity Requirements

6 Investment Policy

There are no restrictions on the Charity's power to invest.

The Investment Strategy is set by the trustees and takes into account income requirements, the risk profile and investment managers' views of the market prospects in the medium term.

The policy is to maximise total return through diversified portfolios whilst providing a level of income advised by the trustees from time to time.

There is also an Ethical Policy precluding any investment in any company which, after reasonable enquiry, clearly has significant profits from any activity whose objectives are contrary to ours and considered to be unjust or damaging to health and wellbeing. We updated our Investment Policy in 2024, to ensure that it is in line with our commitment to the **Care of the Poor and the Earth**.

The performance of the portfolios and the Charity's Investment Strategy are reviewed by the trustees, who meet with the investment managers at least annually.

7 Insurance

A review of the Charity's insurance is undertaken annually by the trustees.

8 Continued Professional Development

For our own professional development and to keep ourselves updated with changes we have attended numerous online courses and Zoom meetings.

During 2024/25 the Congregational Leader or her representative attended:

- ◆ The UK CIO and Charity Trust meetings
- ◆ Meetings with Investment Managers/Financial Advisors
- ◆ Misesan Cara (Irish Missionary) Development Organisation meetings
- ◆ Religious Leaders' meetings (AMRI, COREW, LCWR, UISG)
- ◆ CLT Team Meetings
- ◆ Meetings with the whole Congregation to implement the decisions of the General Chapter.

PART ONE (continued)

CHAPTER FIVE – Governance, Trustee Responsibilities, Risk Management

1 Governance

Sisters of the Cross and Passion

In terms of Canon Law, at international level the Congregational Leadership Team (CLT) is the major spiritual and administrative body of the Congregation of the Sisters of the Cross and Passion. The administration of the CLT continues to be centred in the United Kingdom.

In keeping with the charitable work envisaged by the Trust Deed, the CLT often make donations to other charitable organisations. The finances of the CLT also incorporate the administrative and financial costs and the expenses incurred by the members of the team.

In terms of civil law, the Charity is governed by its own Trust Deed dated 25 March 1994 and is a registered Charity under the Charities Act 2011; Charity registration number 103843 (England and Wales). It is also a registered Charity in Scotland, Charity registration number SCO 38416 (Scotland). In recent years, the trustees have been working on a project to de-merge the Province and the Generalate and simultaneously to incorporate the Province. This took a major step forward on 1 April 2021 when the Province assets, activities, contracts, employees and liabilities were transferred to Sisters of the Cross and Passion CIO (registered Charity number 1185348). Generalate assets remain in the charitable trust for the time being.

The trustees of the Charity are the Congregational Leader, the Provincial Leader and provincial councillors. As all trustees are members of the Congregation they have a detailed knowledge of the work of the Charity and of its structure. The trustees, are members of the Congregation. They receive no remuneration or reimbursement of expenses in connection with their duties as trustees. On being appointed, new trustees spend time with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

The names of the trustees who served during the year are set out as part of the reference and administration details on page 1 of this annual report and accounts.

The key risks for the Charity, as identified by the trustees, are described below, together with the principal ways they are mitigated.

- ◆ ***The value of investments:*** The Charity's main assets are in its investments. The value of listed investments is dependent on movements in UK and world stock markets. At the present time the markets are facing uncertainty and hence they are volatile. The investments are managed by reputable investment managers, who adhere to a policy agreed by the trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs, both now and into the future.

PART ONE (continued)

CHAPTER FIVE – Governance, Trustee Responsibilities, Risk Management (continued)

1 Governance (continued)

Sisters of the Cross and Passion (continued)

- ◆ ***Reliance on key staff and the need for succession planning:*** Advice is taken on investment management, accountancy, actuarial, legal and business matters from lay professionals. They help monitor risks and the Risk Management Policy and refer matters to the CLT for consideration.
- ◆ ***The change of Trustees:*** When a new leadership team is elected into office this involves a change of trustees. On being appointed, new trustees spend time with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

During their pastoral visits, the trustees continue to monitor the major risks to which the Charity may be exposed and systems are investigated and established to mitigate these risks.

A review of major risks to which the Charity is exposed and the systems established to mitigate those risks is undertaken annually by the trustees.

2 Trustees' Responsibility Statement

The Trustees are responsible for preparing the report of the Trustees and the Accounts in accordance with applied law and United Kingdom Accounting Standards including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, and in Scotland, 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 the Charities SORP;
- ◆ make judgments and accounting estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

PART ONE (continued)

CHAPTER FIVE – Governance, Trustee Responsibilities, Risk Management (continued)

2 Trustees' Responsibility Statement (continued)

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, applicable charity (Accounts and Reports) regulations 2008, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. Throughout this report, in particular in Chapter Two, the Trustees have demonstrated how the Charity has been faithful to this. The activities of the Charity can be divided into five main areas, namely: Education; Health; Pastoral and Spiritual Care; Social Care and Projects we support financially.

SUMMARY AND ACKNOWLEDGEMENTS

This report is a summary of the work of the Congregation. The accounts accompanying this report show the movement of funds in the year ended 31 March 2025.

We, the Trustees, acknowledge with gratitude the professionalism and commitment of all our staff, volunteers and the individual members of the Congregation. Their dedication, support and positive approach are very encouraging for us.

We wish also to record our thanks to the professional bodies on whose advice and expertise we rely.

Approved by the Trustees and signed on their behalf by:

Sr M. O'Regan CP (Sr Therese)

.....
Trustee

Approved by the Trustees on: *14/11/2025*



Independent Auditor's Report to the Members of Sisters of the Cross and Passion for the Year Ended 31 March 2025

Opinion

We have audited the financial statements of Sisters of the Cross and Passion (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. 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 financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of the charity's incoming resources and application of resources 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 and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 respect of which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- ◆ the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- ◆ the charity has not kept sufficient accounting records; or
- ◆ the charity's financial statements are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 19-20, the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 financial statements

We have been appointed as auditors under the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the charity's financial statements 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sectors in which the charity operate.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities (Accounts and Reports) Regulations 2008, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud.

Auditor’s responsibilities for the audit of the financial statements (continued)

Audit response to risks identified: (continued)

We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner’s review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity 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.

Saffery LLP

Saffery LLP
Statutory Auditors

10 Wellington Place
Leeds
LS1 4AP

Date: 5 December 2025

Saffery 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 March 2025

| | Notes | Un-restricted funds £ | Restricted funds £ | Total funds 2025 £ | Un-restricted funds £ | Restricted funds £ | Total funds 2024 £ |
|---|-------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| Income from: | | | | | | | |
| Donations and legacies | 1 | 28,449 | — | 28,449 | 54,659 | — | 54,659 |
| Investment income and interest receivable | 2 | 203,866 | — | 203,866 | 208,726 | — | 208,726 |
| Charitable activities | | | | | | | |
| . Grants receivable | 16 | 11,300 | — | 11,300 | 140,000 | — | 140,000 |
| Other sources | | | | | | | |
| . Miscellaneous income | | 8,818 | — | 8,818 | 25,148 | — | 25,148 |
| Total income | | 252,433 | — | 252,433 | 428,533 | — | 428,533 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| . Investment management costs | | 24,204 | — | 24,204 | 22,225 | — | 22,225 |
| Charitable activities | | | | | | | |
| . Donations and support of overseas missions | 3 | 106,867 | — | 106,867 | 555,803 | — | 555,803 |
| . Support of members of the Congregation and their ministry | 4 | 134,557 | — | 134,557 | 244,074 | — | 244,074 |
| . Donations to Sisters of the Cross and Passion CIO | 16 | — | — | — | 9,820,000 | — | 9,820,000 |
| Total expenditure | | 265,628 | — | 265,628 | 10,642,102 | — | 10,642,102 |
| Net expenditure before net investment gains (losses) | | (13,195) | — | (13,195) | (10,213,569) | — | (10,213,569) |
| Net gains on listed investments | 11 | 57,196 | — | 57,196 | 485,104 | — | 485,104 |
| Net fair value losses on the disposal of assets held for sale | 11 | — | — | — | (192,221) | — | (192,221) |
| Net income (expenditure) and net movement in funds | 6 | 44,001 | — | 44,001 | (9,920,686) | — | (9,920,686) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2024 | | 7,943,661 | — | 7,943,661 | 17,864,347 | — | 17,864,347 |
| Fund balances at 31 March 2025 | 14 | 7,987,662 | — | 7,987,662 | 7,943,661 | — | 7,943,661 |

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

All the activities reflected in the above statement of financial activities related to continuing operations.

Balance sheet 31 March 2025

| | Notes | 2025 £ | 2024 £ |
|--|-------|------------------|------------------|
| Fixed assets: | | | |
| Tangible assets | 10 | 55,820 | 59,851 |
| Investments | | | |
| . Listed investments | 11 | 7,465,848 | 7,289,296 |
| Total fixed assets | | 7,521,668 | 7,349,147 |
| Current assets: | | | |
| Current investments | | — | 400,000 |
| Cash at bank and in hand | | 530,718 | 266,767 |
| Total current assets | | 530,718 | 666,767 |
| Liabilities: | | | |
| Creditors: amounts falling due within one year | 12 | (64,724) | (72,253) |
| Net current assets | | 465,994 | 594,514 |
| Total net assets | | 7,987,662 | 7,943,661 |
| The funds of the Charity: | | | |
| Unrestricted funds | | | |
| . Tangible fixed assets fund | 13 | 55,820 | 59,851 |
| . General fund | | 7,931,842 | 7,883,810 |
| | 14 | 7,987,662 | 7,943,661 |

Approved by the Trustees
and signed on their behalf by:

Sr M. O'Regan OP (Sr Therese)
.....
Trustee

Approved on: 14/11/2025

Statement of cash flows Year to 31 March 2025

| | Notes | 2025 £ | 2024 £ |
|---|-------|------------------|--------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | A | (220,559) | (10,402,611) |
| Cash flows from investing activities: | | | |
| Investment income and interest received | | 203,866 | 208,726 |
| Net proceeds from the disposal of assets held for sale | | — | 10,815,554 |
| Purchase of tangible fixed assets | | — | (2,919) |
| Proceeds from the disposal of investments | | 344,239 | 568,117 |
| Purchase of investments | | (456,252) | (688,429) |
| Proceeds from current asset investments | | 400,000 | (400,000) |
| Net cash provided by investing activities | | 491,853 | 10,501,049 |
| Change in cash and cash equivalents in the year | | 271,294 | 98,438 |
| Change in cash and cash equivalents due to exchange rate movements | | 2,031 | — |
| Cash and cash equivalents at 1 April 2024 | B | 432,129 | 333,691 |
| Cash and cash equivalents at 31 March 2025 | B | 705,454 | 432,129 |

Notes to the statement of cash flows for the year to 31 March 2025.

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

| | 2025 £ | 2024 £ |
|---|------------------|--------------|
| Net movement in funds (as per the statement of financial activities) | 44,001 | (9,920,686) |
| Adjustments for: | | |
| Depreciation charge | 4,031 | 4,039 |
| Gains on investments | (57,196) | (485,104) |
| Net fair value losses on the disposal of assets held for sale | — | 192,221 |
| Loss on disposal of tangible fixed assets | — | 2,693 |
| Investment income and interest receivable | (203,866) | (208,726) |
| Decrease in debtors | — | — |
| (Decrease)/Increase in creditors | (7,529) | 12,952 |
| Net cash used in operating activities | (220,559) | (10,402,611) |

B Analysis of cash and cash equivalents

| | 2025 £ | 2024 £ |
|--|----------------|-----------|
| Cash at bank and in hand | 530,718 | 266,767 |
| Cash held by investment managers | 174,736 | 165,362 |
| Total cash and cash equivalents | 705,454 | 432,129 |

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.

Principal accounting policies 31 March 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below. The principal accounting policies relate to both the current and comparative figures.

Basis of preparation

These accounts have been prepared for the year to 31 March 2025 with comparative information given in respect to the year to 31 March 2024.

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 the principles set out in 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), 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 £1.

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:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ estimating the fair value of assets held for resale and classified as current assets;
- ◆ allocation of support costs across charitable activities; and
- ◆ estimating the value of legacies to be recognised in accordance with FRS 102.

Critical accounting estimates and areas of judgement

As set out in these accounting policies under “assessment of going concern”, the Trustees have considered the effect on the Charity of the current macroeconomic and geopolitical climate. They have concluded that although there may be some negative consequences, it is appropriate for the Charity to continue to prepare its accounts on the going concern basis.

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.

Certain of the previous activities of the Charity are now carried out by Sisters of the Cross and Passion CIO and the relevant assets and liabilities were transferred in 2021 and 2022 on a going concern basis. However, the Charity will continue to carry out the remaining activities and has retained certain assets and liabilities (investments and certain administrative functions). Hence, the Trustees of the Charity have concluded that it is appropriate for the accounts to be prepared on a going concern basis.

The Trustees acknowledge and recognise the impact of the macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as greater volatility in the value of the Charity's listed investment portfolio and related income. However, the Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next 12 months, the most significant areas that affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, grants receivable and miscellaneous income.

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

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

Gifts in kind and donated services, where relevant, are included at the lower of their value to the Charity and their estimated market value.

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.

Income recognition (continued)

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.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

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. The classification between activities is as follows:

- a. Expenditure on raising funds comprises the fees paid to investment managers in connection with the management of the Charity's listed investments, net of rebates received. Rebates arise when the fees deducted automatically through charges for common investment funds and related transactions exceed the fees agreed between the Charity and its investment managers.
- b. Expenditure on charitable activities comprises expenditure on the Charity's primary charitable purposes as described in the Trustees' report and includes:
 - ◆ Charitable donations which relate, in the main, to the support of the Charity's missionary work overseas and the support of the Roman Catholic charitable organisations.
 - ◆ Expenditure on the support of the work of the sisters. Such expenditure enables the members to carry out the work of the Charity in the areas of the advancement of the Roman Catholic faith and the relief of poverty.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of indirect costs and governance costs

Indirect costs represent indirect charitable expenditure. In order 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.

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.

Indirect costs and governance costs are able to be allocated to the specific charitable activities to which they relate and all are connected with the support of the members of the Congregation and their ministry.

Tangible fixed assets

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

- ◆ Freehold buildings
Freehold buildings are held at cost. Depreciation is provided at 2% per annum on a straight line basis to write the buildings off over their estimated useful life to the Charity.
- ◆ Plant, furniture and equipment
Expenditure on the purchase and replacement of items of plant, furniture and equipment, including computer equipment, is depreciated over a four to six year period on a reducing balance basis.
- ◆ Motor vehicles
Motor vehicles are capitalised and depreciated over a four to five year period on a reducing balance basis, in order to write off each vehicle over its estimated useful life. Residual balances are eliminated on disposal any surplus or loss is taken to the statement of financial activities.

Fixed asset investments

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

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

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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their carrying value at that date.

Fixed asset investments (continued)

Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

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.

Creditors

Creditors 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 are recognised at the amount the Charity anticipates it will pay to settle the debt.

Fund structure

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

The tangible fixed assets fund is an unrestricted, designated fund which represents the net book value of the tangible fixed assets.

Foreign currencies

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

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative and other services provided by the members of the Congregation.

1 Donations and legacies

| | Unrestricted funds £ | Restricted funds £ | Total funds 2025 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ |
|------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Legacies | 12,418 | — | 12,418 | 30,083 | — | 30,083 |
| Donations | | | | 8,544 | — | 8,544 |
| Other voluntary income | 16,031 | — | 16,031 | 16,032 | — | 16,032 |
| Total | 28,449 | — | 28,449 | 54,659 | — | 54,659 |

2 Investment income and interest receivable

| | Unrestricted funds £ | Restricted funds £ | Total funds 2025 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ |
|--|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Income from listed investments | 173,128 | — | 173,128 | 167,922 | — | 167,922 |
| Interest receivable | | | | | | |
| Interest on cash held by investment managers | 30,738 | — | 30,738 | 40,804 | — | 40,804 |
| Total | 203,866 | — | 203,866 | 208,726 | — | 208,726 |

3 Donations and support of overseas missions

| | Unrestricted funds £ | Restricted funds £ | Total funds 2025 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ |
|--|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Grants to the Congregation's Overseas Missions | 106,867 | — | 106,867 | 555,803 | — | 555,803 |

4 Support of members of the Congregation and their ministry

| | Unrestricted funds £ | Restricted funds £ | Total funds 2025 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ |
|---|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Sisters' living and personal expenses | — | — | — | 14,175 | — | 14,175 |
| Premises | 4,848 | — | 4,848 | 93,336 | — | 93,336 |
| Education, training and spiritual renewal | 25,807 | — | 25,807 | 36,876 | — | 36,876 |
| Administrative and similar costs | 33,059 | — | 33,059 | 27,513 | — | 27,513 |
| Other costs | 39,080 | — | 39,080 | 22,294 | — | 22,294 |
| Governance costs (note 5) | 31,763 | — | 31,763 | 49,880 | — | 49,880 |
| Total | 134,557 | — | 134,557 | 244,074 | — | 244,074 |

5 Governance costs

| | Unrestricted funds £ | Restricted funds £ | Total funds 2025 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ |
|----------------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Accountancy | 14,206 | — | 14,206 | 35,453 | — | 35,453 |
| Auditor's remuneration | | | | | | |
| . Statutory audit (current year) | 13,000 | — | 13,000 | 13,002 | — | 13,002 |
| . Statutory audit (prior year) | 2,167 | — | 2,167 | — | — | — |
| Bank fees and charges | 2,390 | — | 2,390 | 1,425 | — | 1,425 |
| | 31,763 | — | 31,763 | 49,880 | — | 49,880 |

The above governance costs have been allocated to the following activities:

| | Unrestricted funds £ | Restricted funds £ | Total funds 2025 £ | Unrestricted £ | Restricted £ | Total 2024 £ |
|--|-------------------------|-----------------------|--------------------------|-------------------|-----------------|--------------------|
| Support of members of the Congregation and their ministry | 31,763 | — | 31,763 | 49,880 | — | 49,880 |

6 Net income (expenditure) and net movement in funds

This is stated after charging:

| | 2025 £ | 2024 £ |
|------------------------|-----------|-----------|
| Auditor's remuneration | | |
| . Statutory audit | 15,167 | 13,002 |
| Depreciation | 4,031 | 4,039 |

7 Staff costs and remuneration of key management personnel

The Charity employed no staff during the year ended 31 March 2025 (2024 - none)

The Trustees consider that they comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees are members of the Congregation and they receive no remuneration or reimbursement of expenses in connection with their duties as Trustees.

The total remuneration (including taxable benefits, employer's pension contributions and employers' national insurance contributions) of the key management personnel for the Charity was £ nil (2024 – £ nil).

8 Trustees' expenses and remuneration and transactions with Trustees

The Charity's Trustees are all members of the Congregation. No Trustees received any remuneration or reimbursement of expenses in connection with their duties as Trustees (2024 – none).

9 Taxation

The Sisters of the Cross and Passion 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.

10 Tangible fixed assets

| | Freehold buildings £ | Plant, furniture and equipment £ | Motor vehicles £ | Total £ |
|--------------------------------------|----------------------------|---|------------------------|----------------|
| Cost or valuation | | | | |
| At 1 April 2024 and at 31 March 2025 | 69,916 | 30,814 | 9,900 | 110,630 |
| Depreciation | | | | |
| At 1 April 2024 | 20,972 | 26,342 | 3,465 | 50,779 |
| Charge for year | 1,397 | 654 | 1,980 | 4,031 |
| At 31 March 2025 | 22,369 | 26,996 | 5,445 | 54,810 |
| Net book values | | | | |
| At 31 March 2025 | 47,547 | 3,818 | 4,455 | 55,820 |
| At 31 March 2024 | 48,944 | 4,472 | 6,435 | 59,851 |

11 Investments

| | 2025 £ | 2024 £ |
|--|------------------|-----------|
| Listed investments | | |
| Market value at 1 April 2024 | 7,123,934 | 6,518,518 |
| Additions at cost | 456,252 | 688,429 |
| | 7,580,186 | 7,206,947 |
| Disposals at book value (proceeds: £344,239; losses: £7,724) | (351,963) | (406,522) |
| Net unrealised investment gains | 62,889 | 323,509 |
| Market value at 31 March 2025 | 7,291,112 | 7,123,934 |
| Cash held by investment managers for reinvestment | 174,736 | 165,362 |
| | 7,465,848 | 7,289,296 |
| Cost of listed investments at 31 March 2025 | 5,393,921 | 5,173,275 |

11 Investments (continued)

Listed investments as at 31 March 2025, all of which were either dealt in on a recognised stock exchange or were unitised funds comprising investments listed on a recognised stock exchange, were as follows:

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Fixed interest based common investment funds | 356,737 | 279,239 |
| Other unitised funds | 3,987,719 | 3,820,028 |
| Equities | 835,362 | 954,614 |
| Alternative investments | 380,317 | 270,467 |
| Property | 1,633,831 | 1,701,647 |
| Overseas funds | 97,146 | 97,939 |
| | 7,291,112 | 7,123,934 |

Included in the investment portfolio was the following holding which, at 31 March 2025, had a market value which was deemed material in comparison with the market value of the total portfolio at that date:

| | 2025 Market value £ | 2025 Percentage of portfolio % | 2024 Market value £ | 2024 Percentage of portfolio % |
|--|------------------------------|---|------------------------------|---|
| Sarasin Alpha CIF Endowments Fund (Income Units) | 3,987,719 | 54.7% | 3,820,028 | 53.62 |

12 Creditors: amounts falling due within one year

| | 2025 £ | 2024 £ |
|---------------------|-----------|-----------|
| Accrued expenditure | 64,724 | 72,253 |

13 Tangible fixed assets fund

| | 2025 Total £ | 2024 Total £ |
|--|--------------------|--------------------|
| At 1 April 2024 | 59,851 | 63,664 |
| Net transfers – relating to depreciation | (4,031) | (3,813) |
| At 31 March 2025 | 55,820 | 59,851 |

The tangible fixed assets fund represents the net book value of the tangible fixed assets. A decision was made to separate this fund from the other funds of the Charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the Charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

14 Analysis of net assets between funds

| | General fund £ | Tangible fixed assets fund £ | Total 2025 £ |
|---|----------------------|--|--------------------|
| Fund balances at 31 March 2025 are represented by: | | | |
| Tangible fixed assets | — | 55,820 | 55,820 |
| Investments | 7,465,848 | — | 7,465,848 |
| Net current assets | 465,994 | — | 465,994 |
| Total net assets | 7,931,842 | 55,820 | 7,987,662 |
| | General fund £ | Tangible fixed assets fund £ | Total 2024 £ |
| Fund balances at 31 March 2024 are represented by: | | | |
| Tangible fixed assets | — | 59,851 | 59,851 |
| Investments | 7,289,296 | — | 7,289,296 |
| Net current assets | 594,514 | — | 594,514 |
| Total net assets | 7,883,810 | 59,851 | 7,943,661 |

The total unrealised gains as at 31 March 2025 and 31 March 2024 constitute movements on revaluation and are shown below.

| | 2025 £ | 2024 £ |
|--|------------------|-------------|
| Unrealised gains included above at 31 March 2025: | | |
| On investments | 1,897,191 | 1,950,659 |
| Reconciliation of movements in unrealised gains | | |
| Unrealised gains at 1 April 2024 | 1,950,659 | 10,516,955 |
| Less: in respect to disposals of assets held for sale | — | (9,097,829) |
| In respect to disposals of listed investments | (116,357) | 208,024 |
| Net gains arising on revaluation of listed investments in the year | 62,889 | 323,509 |
| Total unrealised gains at 31 March 2025 | 1,897,191 | 1,950,659 |

15 Ultimate control

The Charity, which is constituted as a trust, was controlled throughout the period by St Paul's Province of the Sisters of the Cross and the Passion by virtue of the fact that the members of the Province appoint the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right.

16 Related parties

During the year ended 31 March 2025, the Charity received donations amounting to £11,300 (2024 – £140,000) from the Sisters of the Cross and Passion CIO to cover legal fees, insurance premia, utility bills and security costs relating to St Gabriel's Hall and the Imani Centre. The properties were sold by the Charity in 2024, resulting in a donation of the proceeds of £nil (2024 – £9,750,000) to the Sisters of the Cross and Passion CIO. In addition, in 2024 (the prior year) a donation of £70,000 was made to the Sisters of the Cross and Passion CIO to support its charitable work.

Other than the transactions described above and detailed in note 8, there were no further related party transactions during the year that require disclosure (2024 – none).

SISTERS OF THE CROSS AND PASSION

England & Wales - Charity number 1038483

Accounts



Sisters of the Cross and Passion

Annual Report and Accounts

31 March 2024

Charity Registration Numbers
1038483 (England and Wales)
SCO38416 (Scotland)

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Reference and administrative details of the Charity, its Trustees and advisers

| | |
|--|---|
| Trustees | Sister Claire Dawson C.P. Sister Margaret Gorman C.P. (Sister Carmel) Sister Anne Hammersley C.P. (Deceased 26 July 2024) Sister Margaret O'Regan C.P. (Sister Therese) Sister Margaret Steed C.P. (Sister Savio) |
| Province Leader | Sister Margaret Steed C.P. (Sister Savio) |
| Province Bursar | Mrs Sakina Lowe |
| Principal address | Cross & Passion Convent 299 Boarshaw Road Middleton Manchester M24 2PF |
| Telephone | 0161 655 3184 |
| Email | pltcpsisters@gmail.com |
| Website | www.crossandpassion.com |
| Charity Registration Number - England and Wales | 1038483 |
| Charity Registration Number - Scotland | SCO38416 |
| Accountants | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Auditor | Saffery LLP 10 Wellington Place Leeds LS1 4AP |
| Investment managers | Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU Rathbone Investment Management Limited Port of Liverpool Building Liverpool L3 1NETH |

Reference and administrative details of the Charity, its Trustees and advisers

| | |
|---|---|
| Principal bankers | The Royal Bank of Scotland plc 1 Dale Street Liverpool L2 2PP M&T Bank 1 Financial Plaza Hartford Connecticut CT 06103 United States |
| Solicitors England and Wales | Wrigleys Solicitors LLP 3rd Floor, 3 Wellington Place Leeds West Yorkshire LS1 4AP |
| Solicitors Northern Ireland | Conway, Todd & Co 22 Market Square Antrim BT41 4DT Edwards & Co 28 Hill Street Belfast BT1 2LA |
| Finance and General Purposes Committee | Elizabeth Wilson, Wrigleys Solicitors LLP Amanda Francis Andrew Mather, CS2 Chartered Surveyors |
| Insurance Brokers | Marsh Commercial, UK |
| Energy Broker | Charles Lowe, EnergyFlowe Limited, UK |

Report of the Trustees Year to 31 March 2024

The Trustees present their statutory report, together with the accounts of the Sisters of the Cross and Passion (the 'Charity'), for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 28 to 32 and comply with the Charity's Trust Deed, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Irish Charities Act 2009. The accounts also comply 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 the Republic of Ireland (FRS 102).

PART ONE

CHAPTER ONE – Who we are

Introduction

The Sisters of the Cross and Passion is an international Roman Catholic Religious Congregation founded in industrial England in 1852. It is divided into a number of individual areas and provinces under the authority of the Congregational Leadership Team (CLT), members of which reside in the UK, Chile, Australia and the USA. Their offices are in Larne, Antrim, Northern Ireland. The Team comprises the Congregational Leader and a team of three Sisters.

The Sisters from St Paul's Province live in England and Wales. The accounts accompanying this report are those of the charitable trust (the Charity) on which the congregational assets (i.e. the Congregational Leadership Team (CLT) assets) are held and on which the majority of the assets of St Paul's Province were held until 31 March 2021. The Charity is governed by a Trust Deed dated 25 March 1994 and is registered with the Charity Commission:

| | | |
|-----------------------------|-------------------|---------|
| Charity Registration Number | England and Wales | 1038483 |
|-----------------------------|-------------------|---------|

| | | |
|-----------------------------|----------|----------|
| Charity Registration Number | Scotland | SCO38416 |
|-----------------------------|----------|----------|

With effect from midnight on 31 March 2021, in accordance with a legal transfer of undertakings dated 31 March 2021 and a resolution of the Trustees, certain activities, assets and liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO); Sisters of the Cross and Passion CIO, Charity Registration Number 1185348 (the 'successor Charity'). Other congregational (CLT) assets and liabilities remained in the Charity, together with some Province assets which the Trustees had been advised to leave in the Charity but which have subsequently been transferred to the CIO or disposed of with part or all of the net proceeds transferred to the CIO. The Sisters of the Cross and Passion CIO will be the main vehicle for delivering the Province activities going forward.

Mission and Objectives

The corporate mission of the Sisters of the Cross and Passion is to witness to the reconciling, forgiving and compassionate love of God through openness to the needs of the world and especially those of the poor and marginalised.

The Sisters of the Cross and Passion identify with Christ in his Passion, Death and Resurrection. We aspire to a more just and compassionate world, where the rights and dignity of the whole of creation is upheld and respected.

What follows is an account of the work of the Charity for the period April 2023 to March 2024. Benefits are identifiable and touch the lives of the people whom the Sisters seek to serve in all their ministries.

The objectives of the Sisters of the Cross and Passion, as stated in the Trust Deed, are the relief of poverty, the provision of relief assistance and comfort to the sick, the provision of education and the advancement of the teachings of the Roman Catholic Church (or other such charitable purposes as are lawfully authorised from time to time by the constitutions of the Congregation) by such means as are suited to the time and place in which the provision is to be made.

To fulfil these objectives the Sisters regularly evaluate their pastoral activities in the light of their Charism, present day needs and requests for help in new ministries and new localities. Policies and procedures are reviewed and updated regularly in accordance with statutory regulations and congregational objectives.

As Sisters of the Cross and Passion we hope that our lives witness to the reconciling, merciful and compassionate love of God. We are covenanted to be bearers of the mercy of God by responding to the needs of the world in our time, as Venerable Elizabeth Prout, our foundress, did in hers.



- 1 Pastoral and Spiritual Care
- 2 Education
- 3 Missions
- 4 Future Plans

CHAPTER TWO – Activities, Achievements, Future Plans

1 Pastoral and Spiritual Care

The Congregational Leader, helped by her Councillors (CLT Team), has the overall pastoral responsibility for all of the Sisters in the Congregation and must comply with statutes laid down in Canon Law and the Constitutions of the Sisters of the Cross and Passion (The Covenant of the Passion) as well as the civil/charity laws of the various countries in which the Sisters reside. The Sisters live in the UK, Republic of Ireland, USA, Argentina, Chile, Peru, Botswana, Vietnam and Australia.

One of their major pastoral duties is to communicate with and visit all the Sisters in the Congregation. While we are now able to engage in pastoral visits we continue to hold meetings on Zoom in an effort to reduce our carbon foot print. These meetings are an effective way of promoting unity in the Congregation whose members live on five Continents.



CONGREGATION INTERNATIONAL MEETING ON ZOOM

preparation involving many online meetings in 2020, 2021 and 2022. The Chapter concluded in June 2022 when the Congregational Leader and her Councillors were elected. There followed a twelve day, live meeting for the newly elected Team, in Drumalis, Larne in September 2022 to plan the implementation of the Chapter recommendations for the next six years.

Norm 102 Covenant of the Passion:

The General Chapter is the highest legislative body in the Congregation.

The Ordinary General Chapter meets every six years, at which the Congregational Leader and her Councillors are elected and policies which will foster the mission and administration of the Congregation are put in place. For the first time in our history the most recent Chapter in 2022 took place online with



A TREE WAS PLANTED AT THE CLT OFFICE ON THE OPENING DAY OF THE VIRTUAL ASSEMBLY.

CHAPTER TWO – Activities, Achievements, Future Plans

2 Education

Whilst the work of the Sisters in the Congregation in earlier years was in education, we now see this legacy carried forward in schools and colleges, which were set up by the Sisters in the various countries in which they are resident. One such institution in England, with which the CLT is still involved, is:

Leeds Trinity University



Leeds Trinity University was co-founded by the Sisters of the Cross and Passion and the Catholic Education Service as a teacher training college in 1967. In the fifty-six years since its foundation, it has transformed itself into a university renowned for teaching excellence and has been ranked by the Times and Sunday Times as the sixth best university in the country for teaching quality. Leeds Trinity offers undergraduate, postgraduate, foundation and top-up courses, as well as apprenticeship and work-based learning.

In accordance with the Articles of Association, the Trusteeship of the University remains with the Diocese of Leeds. While the Sisters are no longer actively involved in the day-to-day life of LTU, the Congregational Leader has a representative on the Board of Governors, who keeps her informed of developments. Her role is to promote the spiritual ethos, which is part of the heritage of the University. The CLT are consulted on the appointment of new Trustees to the Board and have the right to nominate up to five people to be independent on the Board.

The updated mission statement of LTU reads:

“Our mission is guided by our Catholic identity and faith foundation...We are committed to the promotion of dignity, respect, social justice and equality in order to deliver positive social and economic impacts.” (LTU Mission Statement.)

In November 2022 Leeds Trinity University agreed to establish a city centre location at 1 Trevelyan Square, Leeds, to complement its campus in Horsforth as part of a strategy for growth. The university has secured a lease on the 57,000 square foot building, which is located just off Boar Lane in the heart of the city, subject to a “change of use” planning application. Among the new courses which will be offered here is a new programme in Nursing and Biomedical Science, which are being designed to respond to key public sector workforce need in the City region.

It is clear that the university is firmly focused on the future, on delivering exceptional opportunities for students, and on the contribution they can make to enhance outcomes for all in the community.

These are some of the values that we, as Sisters of the Cross and Passion, aspire to and are happy to see implemented.



CHAPTER TWO – Activities, Achievements, Future Plans

2 Education (continued)

Formation/Education



One of the pastoral responsibilities of the CLT is to coordinate an international formation/education programme for young Sisters, who are joining the Congregation. Most of the older, established areas in the Congregation have sufficient funding and personnel to run their own programmes, but newer areas require both financial support and support with personnel. The area where there has been most development in the past year is Vietnam. The numbers of young Sisters in Vietnam who require formation are increasing. Financial support has been given for formation during the year 2023/24. We envisage that this support will continue for the next five years until this area of the Congregation becomes self-sustaining. The Congregational Leader made a pastoral visit to Vietnam in January 2023, for the Final Profession ceremony of four Sisters, and two members of the CLT visited in August 2023.



One of the Government requirements for the Sisters in Vietnam to be fully registered as a Religious Congregation is that they own their own property. The Charity has contributed to the building of a house in Dong Nai Province which was completed in August 2023. The Sisters are now registered in that Diocese and are seeking Government registration.

CHAPTER TWO – Activities, Achievements, Future Plans

2 Education (continued)

Formation/Education (continued)

This year, we have completed the purchase of a property in Ho Chi Minh city so that the Sisters can also register in that Diocese. The Sisters had been renting this property for the past three years and found it suitable for the early stages of Formation and for sisters who are completing study courses in the city.



Other areas which require support are Botswana and Peru, where there are very few Sisters but who, in spite of low numbers, are carrying out outreach work amongst the very poor. One Sister from Botswana completed a two year Spirituality Course at (CTU) Chicago Theological Union. A sister in Australia also has embarked on a spiritual direction training.

Justice/Education

Passionists International



Passionists International is one of a number of groups of Religious men and women who work as NGO representatives at the United Nations. We believe that the presence of Religious in such a complex diplomatic system can give an independent voice that promotes the development of the weakest and most disadvantaged peoples. From its beginning, Passionists International has promoted the defence of vulnerable populations (particularly indigenous ones), the development of policies to protect those social groups more susceptible to poverty, as well as women's rights, especially girls. They have recently added the topics of emergency migration and care of the planet to their remit.

The CLT and the Passionist men's community have agreed to provide financial and personnel support to Passionists International at the United Nations for the next two years. In 2023/24 we sent £17,130 to this project.

A part-time administrator has been appointed by Passionists International. The Congregational Leader met with this administrator during her visit to the Sisters in the USA in March 2024.

CHAPTER TWO – Activities, Achievements, Future Plans

3 Missions

A mission outreach has always been a part of our Charism. Many of our Sisters in the Congregation have had experience of working and living on our Missions. The provision of financial support and personnel is the responsibility of the CLT. Any contributions, donations or legacies for the Missions are channelled through the CLT.

Chile

In February 2024 devastating fires in Quilpué, Limache and Villa Alemana in Chile's Valparaiso Province destroyed more than 1,000 homes and many people lost their lives. Among the houses destroyed was one which the Sisters were renting. According to some reports the fires were among the deadliest in recent decades in Chile.



THE SISTERS' HOUSE



YOUNG PASSIONISTS IN SOLIDARITY ACTION

Argentina

In March severe storms and heavy flooding wreaked havoc in parts of Buenos Aires. Flood Lists has recorded eight significant flood events in Northern Argentina since the start of 2024. One of the areas affected in March was Corrientes where two people died and over 800 were displaced. This also is one of the areas where our Sisters are living.

CHAPTER TWO – Activities, Achievements, Future Plans

3 Missions (continued)



FLOODS IN CORRIENTES

St Paul's Province transferred to the CLT a legacy they had received of £13,368. This money will be sent to help families who have lost homes in the fires in Chile and the floods in Corrientes.

Pachacutec, Lima, Peru

After Cairo in Egypt, Lima, Peru is the second largest city in the world, located in a desert. 66% of Peru's population, some 20 million people, live in the coastal zone where there is a chronic water shortage. Pachacutec, located in the northwest of Lima, is one of the poorest areas of the city. It has a population of 180,000 people. Thousands of people were relocated to this area with little or no infrastructure in place. Three of our Sisters live there and occasionally need some support for the work they are doing.



PACHACUTEC, LIMA, PERU

The Congregational Leader plans to visit all three countries in South America in April/May 2024.

CHAPTER TWO – Activities, Achievements, Future Plans

3 Missions (continued)

Botswana

Again, a country located in a semi desert area where two Sisters work in outreach projects to help the poor. One such project was the acquisition of a piece of land on which to grow crops in a poor rural area: *Mmamhiko*. We funded the sinking of a bore hole to provide water two years ago and followed this with funding for farm implements during the past year.

The Congregational Leader visited the Sisters Botswana in September 2023.

PHOTOS SHOW PROGRESS AND HARVESTING.



BORE HOLE...



... AND HARVEST A YEAR LATER



HARVESTING MAIZE, SHELLING MAIZE & SWEET REED...



... AND CRUSHING BEANS

CHAPTER TWO – Activities, Achievements, Future Plans

4 Future Plans

- ◆ To encourage all Sisters in their ministries, encouraging them to live by the *Directives for Ministry* set out in our Congregational Chapter 2022.
- ◆ To continue to live out of our *Organic Participative Model of Leadership* in the Congregation through consultation and discernment.
- ◆ To encourage as many Sisters as possible to use Zoom as a means of communication so that as a Congregation we may have a greater sense of unity.
- ◆ To be faithful stewards of the work entrusted to us by:
 - ◇ valuing the resources of the Charity;
 - ◇ maintaining, developing, donating or selling property in a responsible manner and in accordance with charity law guidelines;
 - ◇ using the financial resources of the Charity in a responsible manner. In these matters listening to our advisors;
 - ◇ completing the remaining work of transferring the Congregational assets from the Charitable Trust to the CIO;
 - ◇ be alert to any changes in charity law, which will affect the Charity.

1 Income

Income is generated through:

- ◆ Annual capitation from areas of the Congregation;
- ◆ Bank deposit interest;
- ◆ Investments;
- ◆ Legacies and donations.

2 Expenditure

The main role of the Congregational Leadership Team (CLT) is the pastoral care of the Sisters and having an overview of the charitable activities of the Congregation. The Congregational Leader is the official representative of the Congregation in the Roman Catholic Church.

Before the advent of Covid this involved the team travelling to all areas where the Congregation was situated. During and since Covid, travel expenses have greatly reduced, but with the increasing use of online video communication, other expenses have increased, such as investment in IT services, equipment and skills in order to facilitate digital communication throughout the Congregation. Now that travel is allowed, it will be incumbent on the Leadership Team to make pastoral visits to the Sisters in different parts of the world. However, we are conscious of the cost of air transport in terms of our carbon footprint and the damage to the planet, so we will continue to hold many of our meetings on Zoom. To facilitate better communication among all our Sisters we have upgraded our Zoom package to include translation transcripts. We have also replaced two computer monitors in the CLT office.

During 2023/24 the Congregational Leader has visited the Sisters in Botswana, USA and all the houses in the UK and the Republic of Ireland. Team members have visited Vietnam, Peru and Argentina. Therefore, travel expenses have increased.

Expenditure of the Charity comprises:

- ◆ administration expenditure, which includes renting office space, payment of staff and any travel expenses;
- ◆ Sisters' healthcare and living expenses in developing areas such as Peru, Botswana and Vietnam;
- ◆ donations and financial support to the Congregation's Mission projects;
- ◆ formation and education support for our young Sisters;
- ◆ those costs associated with the management of the Charity's investment portfolios and the compliance with regulatory and statutory requirements;
- ◆ the CLT and the Passionist men's community agreed to provide financial and personnel support to Passionists International at the United Nations for the next two years.

3 Tangible Fixed Assets

Tangible fixed assets consist mainly of buildings with their fittings and furniture and plants in our convents. The Charity owns office equipment in its office in Drumalis Retreat Centre.

4 Results for the year

The statement of financial activities for the Charity shows net expenditure before listed investment losses and fair value gains on the assets held for sale of £10,213,569 (2023 – £639,907) with total income amounting to £428,533 (2023 – £409,681) and expenditure prior to donations to the Sisters of the Cross and Passion CIO of £9,820,000 (2023 – £nil) amounting to £822,102 (2023 – £1,049,588).

Total income for 2024 includes £54,659 (2023 – £16,914) of donations, legacies and similar income. Other major categories of income include investment income and interest receivable, grants receivable from the UK Province and, in the prior year, a surplus on disposal of tangible fixed assets.

Donations to the Sisters of the Cross and Passion CIO during the year totalled £9,820,000 (2023 – £nil) giving total expenditure for the year of £10,642,102 and, after listed investment gains of £485,104 (2023 – losses of £407,232), a fair value gain on properties held for sale which were disposed of following the balance sheet date of £nil (2023 – £9,097,829) and losses on the disposal of the property arising from professional fees of £192,221 (2023 – £nil), there was a net decrease in funds of £9,920,686 (2023 – a net increase in funds of £8,050,690). Excluding the transfer of the proceeds from the sale of properties to the CIO, the net decrease in funds for the year was £100,686 (2023 – excluding the revaluation of the property held for sale, the net decrease in funds was £1,047,139).

5 Investment performance

The purpose of holding listed investments is to earn income to be used to facilitate the work of the CLT and further the charitable work of the Congregation now and in the future. The Congregation has discretionary investment agreements with Sarasin & Partners LLP and Rathbone Investment Management Limited.

Representatives of the Trustees meet with the fund managers and financial advisers during the year to ensure that the funds are managed in accordance with the investment policy and the religious and ethical principles of the Congregation.

The objective of the fund managers is to achieve a reasonable return of both income and capital growth with no more than a conservative to moderate level of risk. The performance and structure of the principal portfolios continues to be closely monitored.

An income yield of 2.6% (excluding interest on cash held by the investment managers) was achieved, and the investments produced a capital yield of 5.0%.

5 Investment performance (continued)

At the end of the year the Charity's portfolio of listed investments comprised 53.6% unitised equity funds, 13.4% UK equities, 3.9% fixed interest based funds, 1.4% overseas unit trusts, 23.9% property based investments and 3.8% alternative investments.

The market value of the listed investments increased by £605,416 from a market value of £6,518,518 at the end of March 2023 to a value of £7,123,934 at the end of March 2024, an increase of 7.4% after accounting for additions and disposals of listed investment holdings.

6 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 Charity is dependent in part on investment income generated by the listed investments held to enable it to meet its ongoing expenditure. The Trustees estimate that this income needs to be approximately £160,000 per annum and hence based on an income yield of 2.5%, the value of the Charity's investment portfolio needs to be approximately £6.5 million. Consequently, the Trustees believe the Charity's free reserves should at least equal this figure plus an amount at least equal to annual unrestricted expenditure (excluding transfers to the successor charity), which for the year ended 31 March 2024 was approximately £822,000. This gives a total target level of free reserves of approximately £7.322 million. The Trustees consider that, given the nature of the Charity's work and its commitments, it is prudent to retain this level of free reserves.

7 Financial position

The balance sheet shows total reserves at 31 March 2024 of £7,943,661 (2023 – £17,864,347).

The tangible fixed assets fund, representing the value of assets unavailable for application without realisation, totals £59,851 (2023 – £63,664) and represents tangible fixed assets.

Free reserves at 31 March 2024, which were available for the Charity to conduct its day-to-day activities amounted to £7,883,810 (2023 – £17,800,683). The decrease during the year is attributable to the sale of St Gabriel's Hall and the subsequent donation of the proceeds to Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) to enable that Charity to continue its work into the future.

Whilst this level of free reserves is slightly above that demanded by the above policy, given the current macroeconomic and geopolitical climate across the world, the Trustees deem the free reserves to be adequate but not excessive.

CHAPTER FOUR – Trustees' duties and Compliance with Charity Requirements

1 Property – sales, donations, ongoing development, maintenance

St Gabriel's Hall

On 5 July 2023, the Charity completed the sale of St Gabriel's Hall, a property that had been used as an all-female hall of residence for Manchester University and which was leased to the University on a peppercorn rent. The sale included the adjoining Imani Centre. The sale of this property realised proceeds of £11,007,875; £9,750,000 of the money received from the sale was transferred to the successor charity, Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) during



St Gabriel's Hall

the year and has been invested to enable that Charity to continue its work into the future. The residual proceeds were retained by the Charity to assist the work of the Congregational Leadership Team and to provide working capital. Some of that money has been used to purchase a house for the Sisters in Vietnam, in Ho Chi Minh City. The purchase was completed in March 2024. This house is close to the University where the young Sisters study. Given its location, a possible future use might well be as a hall of residence for women attending the university. It is fitting that some of the money generated from the sale of St Gabriel's Hall was used for the purchase of this property.

2 Policies, Reports and Plans

During the year, we reviewed our:

- Risk Management Policy
- Disaster Plan
- Safeguarding Policy
- GDPR Policy

We also compiled our: Charity Annual Report and Accounts (UK)

3 Safeguarding

The CLT are responsible for ensuring that Safeguarding Policies are in place throughout the Congregation.

4 Archives

One Sister is engaged full-time in preserving the archives of the Congregation. She ensures that all collections are sorted, carefully stored and remain confidential. Finding a permanent home for the storage of our archives still remains one of our goals.

5 General Data Protection Regulation (GDPR)

With the help of our solicitors we have drawn up an umbrella Data Protection Policy for the Charity, which covers the processing and control of data from four main areas: employment data; data relating to Sisters in care; data relating to the users of our retreat centres and data kept on individual Sisters in the Congregation's office. This policy is reviewed on an annual basis.

CHAPTER FOUR – Trustees’ duties and Compliance with Charity Requirements

6 Investment Policy

The Charity’s investments are managed primarily by Sarasin & Partners LLP, Rathbone Investment Management Limited with a small investment with Invesco USA.

There are no restrictions on the Charity’s power to invest.

The investment strategy is set by the Trustees and takes into account income requirements, the risk profile and investment managers’ views of the market prospects in the medium term.

The policy is to maximise total return through diversified portfolios whilst providing a level of income advised by the Trustees from time to time.

There is also an Ethical Policy precluding any investment in any company which, after reasonable enquiry, clearly has significant profits from any activity whose objectives are contrary to ours and considered to be unjust or damaging to health and wellbeing. We updated our Investment Policy in 2022 to ensure that it is in line with our commitment to the **Care of the Poor and the Earth.**

The performance of the portfolios and the Charity’s investment strategy are reviewed by the Trustees, who meet with the investment managers twice yearly.

7 Insurance

A review of the major risks to which the Charity is exposed and of systems established to mitigate those risks is undertaken annually by the Trustees.

8 Continued Professional Development

For our own professional development and to keep ourselves updated with changes we have attended numerous online courses and Zoom meetings.

During 2023/24 the Congregational Leader or her representative attended:

- ◆ The UK CIO and Charity Trust meetings
- ◆ Meetings with Investment Managers/Financial Advisors
- ◆ Mísean Cara (Irish Missionary) Development Organisation
- ◆ Religious Leaders meetings (AMRI, COREW, LCWR, UISG)
- ◆ CLT Team Meetings
- ◆ Meetings with the whole Congregation to implement the decisions of the General Chapter.

CHAPTER FIVE: Governance, Trustees' Responsibilities, Risk Management

1 Governance

Sisters of the Cross and Passion

In terms of Canon Law, at international level the Congregational Leadership Team (CLT) is the major spiritual and administrative body of the Congregation of the Sisters of the Cross and Passion. The administration of the CLT continues to be centred in the United Kingdom.

In keeping with the charitable work envisaged by the Trust Deed, the CLT often make donations to other charitable organisations. The finances of the CLT also incorporate the administrative and financial costs and the expenses incurred by the members of the team.

In terms of civil law, the Charity is governed by its own Trust Deed dated 25 March 1994 and is a registered Charity under the Charities Act 2011; Charity Registration Number 1038483 (England and Wales). It is also a registered Charity in Scotland, Charity Registration Number SCO 38416 (Scotland). The Trustees have been working for some time on a project to de-merge the Province and the Generalate and simultaneously to incorporate the Province. This took a major step forward on 1 April 2021 when the Province assets, activities, contracts, employees and liabilities were transferred to Sisters of the Cross and Passion CIO (Registered Charity Number 1185348). At that date, Generalate assets remained in the charitable trust, together with some Province assets, which the Sisters had been advised to leave in the charitable trust and which have now mostly been disposed of.

The Trustees of the Charity are the Congregational Leader, the Provincial Leader and Provincial Councillors. As all Trustees are members of the Congregation they have a detailed knowledge of the work of the Charity and of its structure. The Trustees, one of whom during the year was the Canonical Bursar, are members of the Congregation. They receive no remuneration or reimbursement of expenses in connection with their duties as Trustees. On being appointed, new Trustees spend time with those Trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

The names of the Trustees who served during the year are set out as part of the reference and administration details on page 1 of this annual report and accounts.

The key risks for the Charity, as identified by the Trustees, are described below, together with the principal ways they are mitigated.

- ◆ ***The value of investments:*** The Charity's main assets are in its investments. The value of listed investments is dependent on movements in UK and world stock markets. At the present time the markets are very volatile. The investments are managed by reputable investment managers, who adhere to a policy agreed by the Trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs, both now and into the future.

CHAPTER FIVE: Governance, Trustees' Responsibilities, Risk Management

1 Governance (continued)

Sisters of the Cross and Passion (continued)

- ◆ ***Reliance on key staff and the need for succession planning:*** Advice is taken on investment management, accountancy, actuarial, legal and business matters from lay professionals. These advisors meet three times a year, with sub-committees meeting when necessary. They monitor risks and the Risk Management Policy and refer matters to the CLT for consideration.
- ◆ ***The change of Trustees:*** When a new leadership team is elected into office this involves a change of Trustees. On being appointed, new Trustees spend time with those Trustees leaving office. They also meet with the congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

During their pastoral visits, the Trustees continue to monitor the major risks to which the Charity may be exposed and systems are investigated and established to mitigate these risks.

A review of major risks to which the Charity is exposed and the systems established to mitigate those risks is undertaken annually by the Trustees.

During the year, Saffery LLP were appointed as auditor to the Trust in accordance with the Charities Act 2011.

2 Trustees' Responsibility Statement

The Trustees are responsible for preparing the report of the Trustees and the Accounts in accordance with applied law and United Kingdom Accounting Standards including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, and in Scotland, 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 the Charities SORP;
- ◆ make judgments and accounting estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

CHAPTER FIVE: Governance, Trustees' Responsibilities, Risk Management

2 Trustees' Responsibility Statement (continued)

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, applicable charity (Accounts and Reports) regulations 2008, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. Throughout this report, in particular in Chapter Two, the Trustees have demonstrated how the Charity has been faithful to this. The activities of the Charity can be divided into five main areas, namely: Education; Health; Pastoral and Spiritual Care; Social Care and Projects we support financially.

4 Summary and Acknowledgements

This report is a summary of the work of the Congregation. The accounts accompanying this report show the movement of funds in the year ended 31 March 2024.

We, the Trustees, acknowledge with gratitude the professionalism and commitment of all our staff, volunteers and the individual members of the Congregation. Their dedication, support and positive approach are very encouraging for us.

We wish also to record our thanks to the professional bodies on whose advice and expertise we rely.

Approved by the Trustees and signed on their behalf by:

Sr. Sawio Steed CP

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Trustee

Approved by the Trustees on: 15 November 2024



Independent Auditor's Report to the Members of Sisters of the Cross and Passion for the Year Ended 31 March 2024

Opinion

We have audited the financial statements of Sisters of the Cross and Passion (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. 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 financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of the charity's incoming resources and application of resources 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 and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 respect of which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- ◆ the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- ◆ the charity has not kept sufficient accounting records; or
- ◆ the charity's financial statements are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 19-20, the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 financial statements

We have been appointed as auditors under the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the charity's financial statements 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sectors in which the charity operate.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities (Accounts and Reports) Regulations 2008, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud.



Auditor’s responsibilities for the audit of the financial statements (continued)

Audit response to risks identified: (continued)

We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner’s review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity 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.

Saffery LLP

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Saffery LLP

10 Wellington Place

Statutory Auditors

Leeds

Date: 19 December 2024

LS1 4AP

Saffery 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 March 2024

| | Notes | Un-restricted funds £ | Restricted funds £ | Total funds 2024 £ | Un-restricted funds £ | Restricted funds £ | Total funds 2023 £ |
|---|-------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| Income from: | | | | | | | |
| Donations and legacies | 1 | 54,659 | — | 54,659 | 16,914 | — | 16,914 |
| Investment income and interest receivable | 2 | 208,726 | — | 208,726 | 175,593 | — | 175,593 |
| Charitable activities | | | | | | | |
| . Grants receivable | 16 | 140,000 | — | 140,000 | 100,000 | — | 100,000 |
| Other sources | | | | | | | |
| . Miscellaneous income | | 25,148 | — | 25,148 | 33,321 | — | 33,321 |
| . Foreign exchange gains | | — | — | — | 6,793 | — | 6,793 |
| . Refund in respect to security fees | | — | — | — | 77,060 | — | 77,060 |
| Total income | | 428,533 | — | 428,533 | 409,681 | — | 409,681 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| . Investment management costs | | 22,225 | — | 22,225 | 22,238 | — | 22,238 |
| Charitable activities | | | | | | | |
| . Donations and support of overseas missions | 3 | 555,803 | — | 555,803 | 496,732 | — | 496,732 |
| . Support of members of the Congregation and their ministry | 4 | 244,074 | — | 244,074 | 530,618 | — | 530,618 |
| . Donations to Sisters of the Cross and Passion CIO | 16 | 9,820,000 | — | 9,820,000 | — | — | — |
| Total expenditure | | 10,642,102 | — | 10,642,102 | 1,049,588 | — | 1,049,588 |
| Net expenditure before net investment gains (losses) | | (10,213,569) | — | (10,213,569) | (639,907) | — | (639,907) |
| Net gains (losses) on listed investments | | | | | | | |
| | 11 | 485,104 | — | 485,104 | (407,232) | — | (407,232) |
| Net fair value (losses) gains on the disposal of assets held for sale | | | | | | | |
| | 11 | (192,221) | — | (192,221) | 9,097,829 | — | 9,097,829 |
| Net (expenditure) income and net movement in funds | 6 | (9,920,686) | — | (9,920,686) | 8,050,690 | — | 8,050,690 |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2023 | | 17,864,347 | — | 17,864,347 | 9,813,657 | — | 9,813,657 |
| Fund balances at 31 March 2024 | 14 | 7,943,661 | — | 7,943,661 | 17,864,347 | — | 17,864,347 |

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

All the activities reflected in the above statement of financial activities related to continuing operations.

Balance sheet 31 March 2024

| | Notes | 2024 £ | 2023 £ |
|--|-------|------------------|-------------------|
| Fixed assets: | | | |
| Tangible assets | 10 | 59,851 | 63,664 |
| Investments | | | |
| . Listed investments | 11 | 7,289,296 | 6,662,915 |
| Total fixed assets | | 7,349,147 | 6,726,579 |
| Current assets: | | | |
| Assets held for sale | 11 | — | 11,007,775 |
| Current investment | | 400,000 | — |
| Cash at bank and in hand | | 266,767 | 189,294 |
| Total current assets | | 666,767 | 11,197,069 |
| Liabilities: | | | |
| Creditors: amounts falling due within one year | 12 | (72,253) | (59,301) |
| Net current assets | | 594,514 | 11,137,768 |
| Total net assets | | 7,943,661 | 17,864,347 |
| The funds of the Charity: | | | |
| Unrestricted funds | | | |
| . Tangible fixed assets fund | 13 | 59,851 | 63,664 |
| . General fund | | 7,883,810 | 17,800,683 |
| | 14 | 7,943,661 | 17,864,347 |

Approved by the Trustees
and signed on their behalf by:

Sr. Savio Steed CP

.....
Trustee

Approved on: 15 November 2024

Statement of cash flows Year to 31 March 2024

| | Notes | 2024 £ | 2023 £ |
|---|-------|---------------------|-----------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | A | (10,402,611) | (773,149) |
| Cash flows from investing activities: | | | |
| Investment income and interest received | | 208,726 | 175,593 |
| Net proceeds from the disposal of assets held for sale | | 10,815,554 | — |
| Purchase of tangible fixed assets | | (2,919) | (9,900) |
| Proceeds from the disposal of investments | | 568,117 | 473,642 |
| Purchase of investments | | (688,429) | (428,564) |
| Investment in current asset investments | | (400,000) | — |
| Net cash provided by investing activities | | 10,501,049 | 210,771 |
| Change in cash and cash equivalents in the year | | 98,438 | (562,378) |
| Change in cash and cash equivalents due to exchange rate movements | | — | (6,340) |
| Cash and cash equivalents at 1 April 2023 | B | 333,691 | 902,409 |
| Cash and cash equivalents at 31 March 2024 | B | 432,129 | 333,691 |

Notes to the statement of cash flows for the year to 31 March 2024.

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

| | 2024 £ | 2023 £ |
|---|---------------------|-------------|
| Net movement in funds (as per the statement of financial activities) | (9,920,686) | 8,050,690 |
| Adjustments for: | | |
| Depreciation charge | 4,039 | 3,213 |
| (Gains) losses on investments | (485,104) | 407,232 |
| Net fair value losses (gains) on the disposal of assets held for sale | 192,221 | (9,097,829) |
| Loss on disposal of tangible fixed assets | 2,693 | — |
| Investment income and interest receivable | (208,726) | (175,593) |
| Decrease in debtors | — | 1,962 |
| Increase in creditors | 12,952 | 37,176 |
| Net cash used in operating activities | (10,402,611) | (773,149) |

B Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--|----------------|-----------|
| Cash at bank and in hand | 266,767 | 189,294 |
| Cash held by investment managers | 165,362 | 144,397 |
| Total cash and cash equivalents | 432,129 | 333,691 |

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. The principal accounting policies relate to both the current and comparative figures.

Basis of preparation

These accounts have been prepared for the year to 31 March 2024 with comparative information given in respect to the year to 31 March 2023.

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 the principles set out in 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), 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 £1.

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:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ estimating the fair value of assets held for resale and classified as current assets;
- ◆ allocation of support costs across charitable activities; and
- ◆ estimating the value of legacies to be recognised in accordance with FRS 102.

Critical accounting estimates and areas of judgement

As set out in these accounting policies under “assessment of going concern”, the Trustees have considered the effect on the Charity of the current macroeconomic and geopolitical climate. They have concluded that although there may be some negative consequences, it is appropriate for the Charity to continue to prepare its accounts on the going concern basis.

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.

Certain of the previous activities of the Charity are now carried out by Sisters of the Cross and Passion CIO and the relevant assets and liabilities were transferred in 2021 and 2022 on a going concern basis. However, the Charity will continue to carry out the remaining activities and has retained certain assets and liabilities. Hence, the Trustees of the Charity have concluded that it is appropriate for the accounts to be prepared on a going concern basis.

The Trustees acknowledge and recognise the impact of the macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as greater volatility in the value of the Charity's listed investment portfolio and related income. However, the Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next 12 months, the most significant areas that affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, grants receivable and miscellaneous income.

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

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

Gifts in kind and donated services, where relevant, are included at the lower of their value to the Charity and their estimated market value.

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.

Income recognition (continued)

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

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. The classification between activities is as follows:

- a. Expenditure on raising funds comprises the fees paid to investment managers in connection with the management of the Charity's listed investments, net of rebates received. Rebates arise when the fees deducted automatically through charges for common investment funds and related transactions exceed the fees agreed between the Charity and its investment managers.
- b. Expenditure on charitable activities comprises expenditure on the Charity's primary charitable purposes as described in the Trustees' report and includes:
 - ◆ Charitable donations which relate, in the main, to the support of the Charity's missionary work overseas and the support of the Roman Catholic charitable organisations.
 - ◆ Expenditure on the support of the work of the sisters. Such expenditure enables the members to carry out the work of the Charity in the areas of the advancement of the Roman Catholic faith and the relief of poverty.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of indirect costs and governance costs

Indirect costs represent indirect charitable expenditure. In order 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.

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.

Indirect costs and governance costs are able to be allocated to the specific charitable activities to which they relate and all are connected with the support of the members of the Congregation and their ministry.

Tangible fixed assets

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

- ◆ Freehold buildings
Freehold buildings are held at cost. Depreciation is provided at 2% per annum on a straight line basis to write the buildings off over their estimated useful life to the Charity.
- ◆ Plant, furniture and equipment
Expenditure on the purchase and replacement of items of plant, furniture and equipment, including computer equipment, is depreciated over a four to six year period on a reducing balance basis.
- ◆ Motor vehicles
Motor vehicles are capitalised and depreciated over a four to five year period on a reducing balance basis, in order to write off each vehicle over its estimated useful life. Residual balances are eliminated on disposal any surplus or loss is taken to the statement of financial activities.

Fixed asset investments

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

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

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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is 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.

Fixed asset investments (continued)

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.

Current assets held for sale

At the end of the prior accounting period, current assets held for sale represented assets that had been marketed for sale prior to the year end but which were sold within twelve months of the year end. Such assets were included in the balance sheet at an estimate of their fair value at the balance sheet date, estimated on the basis of the anticipated sale proceeds.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

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.

Creditors

Creditors 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 are recognised at the amount the Charity anticipates it will pay to settle the debt.

Fund structure

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

The tangible fixed assets fund is an unrestricted, designated fund which represents the net book value of the tangible fixed assets.

Foreign currencies

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

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative and other services provided by the members of the Congregation.

1 Donations and legacies

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
|------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Legacies | 30,083 | — | 30,083 | — | — | — |
| Donations | 8,544 | — | 8,544 | 352 | — | 352 |
| Other voluntary income | 16,032 | — | 16,032 | 16,562 | — | 16,562 |
| Total | 54,659 | — | 54,659 | 16,914 | — | 16,914 |

2 Investment income and interest receivable

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
|--|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Income from listed investments | 167,922 | — | 167,922 | 164,686 | — | 164,686 |
| Interest receivable | | | | | | |
| · Interest on cash held by investment managers | 40,804 | — | 40,804 | 10,907 | — | 10,907 |
| Total | 208,726 | — | 208,726 | 175,593 | — | 175,593 |

3 Donations and support of overseas missions

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
|--|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Grants to the Congregation's Overseas Missions | 555,803 | — | 555,803 | 469,732 | — | 469,732 |

4 Support of members of the Congregation and their ministry

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
|---|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Sisters' living and personal expenses | 14,175 | — | 14,175 | 45,566 | — | 45,566 |
| Premises | 93,336 | — | 93,336 | 222,052 | — | 222,052 |
| Education, training and spiritual renewal | 36,876 | — | 36,876 | 87,659 | — | 87,659 |
| Administrative and similar costs | 27,513 | — | 27,513 | 104,798 | — | 104,798 |
| Other costs | 22,294 | — | 22,294 | 26,931 | — | 26,931 |
| Governance costs (note 5) | 49,880 | — | 49,880 | 43,612 | — | 43,612 |
| Total | 244,074 | — | 244,074 | 530,618 | — | 530,618 |

5 Governance costs

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
|------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Accountancy | 35,453 | — | 35,453 | 30,980 | — | 30,980 |
| Auditor's remuneration | | | | | | |
| . Statutory audit | 13,002 | — | 13,002 | 11,200 | — | 11,200 |
| Bank fees and charges | 1,425 | — | 1,425 | 1,432 | — | 1,432 |
| | 49,880 | — | 49,880 | 43,612 | — | 43,612 |

The above governance costs have been allocated to the following activities:

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
|--|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Support of members of the Congregation and their ministry | 49,880 | — | 49,880 | 43,612 | — | 43,612 |

6 Net (expenditure) income and net movement in funds

This is stated after charging:

| | 2024 £ | 2023 £ |
|------------------------|-----------|-----------|
| Auditor's remuneration | | |
| . Statutory audit | 13,002 | 11,200 |
| Depreciation | 4,039 | 3,213 |

7 Staff costs and remuneration of key management personnel

The Charity employed no staff during the year ended 31 March 2024.

The Trustees consider that they comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

As explained in note 8 below, all Trustees are members of the Congregation and whilst their living and personal expenses are borne by the Charity they receive no remuneration or reimbursement of expenses in connection with their duties as Trustees.

The total remuneration (including taxable benefits, employer's pension contributions and employers' national insurance contributions) of the key management personnel for the Charity was £nil (2023 – £ nil).

8 Trustees' expenses and remuneration and transactions with Trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustees received any remuneration or reimbursement of expenses in connection with their duties as Trustees (2023 – none).

9 Taxation

The Sisters of the Cross and Passion 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.

10 Tangible fixed assets

| | Freehold buildings £ | Plant, furniture and equipment £ | Motor vehicles £ | Total £ |
|--------------------------|----------------------------|---|------------------------|----------------|
| Cost or valuation | | | | |
| At 1 April 2023 | 69,916 | 32,511 | 9,900 | 112,327 |
| Additions | — | 2,919 | — | 2,919 |
| Disposals | — | (4,616) | — | (4,616) |
| At 31 March 2024 | <u>69,916</u> | <u>30,814</u> | <u>9,900</u> | 110,630 |
| Depreciation | | | | |
| At 1 April 2023 | 19,574 | 27,604 | 1,485 | 48,663 |
| Charge for year | 1,398 | 661 | 1,980 | 4,039 |
| Disposals | — | (1,923) | — | (1,923) |
| At 31 March 2024 | <u>20,972</u> | <u>26,342</u> | <u>3,465</u> | 50,779 |
| Net book values | | | | |
| At 31 March 2024 | <u>48,944</u> | <u>4,472</u> | <u>6,435</u> | 59,851 |
| At 31 March 2023 | <u>50,342</u> | <u>4,907</u> | <u>8,415</u> | 63,664 |

11 Investments

At 31 March 2024 fixed asset investments comprised:

| | 2024 £ | 2023 £ |
|--|------------------|------------|
| Current assets held for sale (see a below) | — | 11,007,775 |
| Listed investments and cash held for re-investment (see b below) | 7,289,296 | 6,662,915 |
| At 31 March 2024 | 7,289,296 | 17,670,690 |

a. Assets held for sale

Two properties were classified in these accounts as current assets awaiting disposal during the comparative period. Negotiations with identified purchasers were ongoing at 31 March 2023. However, the sale was subject to the granting of planning permission for development. The sale completed during the year to 31 March 2024 (see below).

11 Investments (continued)**a. Assets held for sale** (continued)*St Gabriel's Hall*

St Gabriel's Hall was used previously as a hall of residence by Manchester University. During this time it was a catered, all-girls hall comprising of about 100 residents, along with five tutors and the hall warden forming the pastoral team. The hall admitted undergraduate and postgraduate students. The lease on the property expired in 2018. On the advice of the Charity's property advisor and solicitors, the Trustees engaged Cushman and Wakefield to negotiate with the University of Manchester and the lease was extended until September 2019, when the properties were vacated.

The Imani Centre

The Imani Centre was used previously by the Imani Community Association, to promote the benefit of the inhabitants of Manchester and the neighbourhood together with local authorities, voluntary and other organisations and so advance education and provide facilities in the interests of social welfare. Specific activities include regular self protection sessions, fundraising functions, young people's groups and play schemes. The property used by the Centre adjoins St Gabriel's Hall and became vacant following the expiry of the lease.

On 5 July 2023, both properties were sold, realising proceeds of £11,007,775. During the prior year they were revalued to their fair value, measured as their anticipated selling price, and reclassified as current assets at the balance sheet date. During the current year, professional fees and other selling costs resulted in a loss on disposal of £192,221 (2023 – a gain on revaluation to the expected selling price of £9,097,829).

| | 2024 £ | 2023 £ |
|---------------------------|--------------|------------|
| At 1 April 2023 | 11,007,775 | 1,909,946 |
| Fair value (losses) gains | (192,221) | 9,097,829 |
| Disposals | (10,815,554) | — |
| At 31 March 2024 | — | 11,007,775 |

b. Listed investments and cash held for re-investment

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Listed investments | | |
| Market value at 1 April 2023 | 6,518,518 | 6,964,488 |
| Additions at cost | 688,429 | 428,564 |
| | 7,206,947 | 7,393,052 |
| Disposals at book value (proceeds: £568,117; gains: £161,595) | (406,522) | (487,648) |
| Exchange movements | — | 6,340 |
| Net unrealised investment gains (losses) | 323,509 | (393,226) |
| Market value at 31 March 2024 | 7,123,934 | 6,518,518 |
| Cash held by investment managers for reinvestment | 165,362 | 144,397 |
| | 7,289,296 | 6,662,915 |
| Cost of listed investments at 31 March 2024 | 5,173,275 | 5,099,392 |

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

Listed investments as at 31 March 2024, all of which were either dealt in on a recognised stock exchange or were unitised funds comprising investments listed on a recognised stock exchange, were as follows:

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Fixed interest based common investment funds | 279,239 | 273,831 |
| Other unitised funds | 3,820,028 | 3,448,688 |
| Equities | 954,614 | 1,133,813 |
| Alternative investments | 270,467 | 333,982 |
| Property | 1,701,647 | 1,228,229 |
| Overseas funds | 97,939 | 99,975 |
| | 7,123,934 | 6,518,518 |

Included in the investment portfolio was the following holding which, at 31 March 2024, had a market value which was deemed material in comparison with the market value of the total portfolio at that date:

| | 2024 Market value £ | 2024 Percentage of portfolio % | 2023 Market value £ | 2023 Percentage of portfolio % |
|--|------------------------------|---|------------------------------|---|
| Sarasin Alpha CIF Endowments Fund (Income Units) | 3,820,028 | 53.62 | 3,448,688 | 52.91 |

12 Creditors: amounts falling due within one year

| | 2024 £ | 2023 £ |
|---------------------|-----------|-----------|
| Accrued expenditure | 72,253 | 59,301 |

13 Tangible fixed assets fund

| | 2024 Total £ | 2023 Total £ |
|---------------------------|--------------------|--------------------|
| At 1 April 2023 | 63,664 | 56,977 |
| Net transfers in the year | (3,813) | 6,687 |
| At 31 March 2024 | 59,851 | 63,664 |

The tangible fixed assets fund represents the net book value of the tangible fixed assets. A decision was made to separate this fund from the other funds of the Charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the Charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

14 Analysis of net assets between funds

| | General fund £ | Tangible fixed assets fund £ | Total 2024 £ |
|---|----------------------|--|--------------------|
| Fund balances at 31 March 2024 are represented by: | | | |
| Tangible fixed assets | — | 59,851 | 59,851 |
| Investments | 7,289,296 | — | 7,289,296 |
| Net current assets | 594,514 | — | 594,514 |
| Total net assets | 7,883,810 | 59,851 | 7,943,661 |
| | General fund £ | Tangible fixed assets fund £ | Total 2023 £ |
| Fund balances at 31 March 2023 are represented by: | | | |
| Tangible fixed assets | — | 63,664 | 63,664 |
| Investments | 6,662,915 | — | 6,662,915 |
| Net current assets | 11,137,768 | — | 11,137,768 |
| Total net assets | 17,800,683 | 63,664 | 17,864,347 |

The total unrealised gains as at 31 March 2024 and 31 March 2023 constitute movements on revaluation and are shown below.

| | 2024 £ | 2023 £ |
|---|------------------|-------------------|
| Unrealised gains included above: | | |
| On investments | 1,950,659 | 1,419,126 |
| On assets held for sale | — | 9,097,829 |
| Total unrealised gains at 31 March 2024 | 1,950,659 | 10,516,955 |
| Reconciliation of movements in unrealised gains (losses) | | |
| Unrealised gains at 1 April 2023 | 10,516,955 | 2,020,769 |
| Less: in respect to disposals of assets held for sale | (9,097,829) | — |
| Add (less): in respect to disposals of listed investments | 208,024 | (194,411) |
| Net gains (losses) arising on revaluation of listed investments in the year | 323,509 | (407,232) |
| Fair value gains of assets held for sale in the year | — | 9,097,829 |
| Total unrealised gains at 31 March 2024 | 1,950,659 | 10,516,955 |

15 Ultimate control

The Charity, which is constituted as a trust, was controlled throughout the period by St Paul's Province of the Sisters of the Cross and the Passion by virtue of the fact that the members of the Congregation appoint the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province are vested in the Trustees of the Charity, who undertake all transactions entered into in the course of the Province's charitable activities.

16 Related parties

During the year ended 31 March 2024, the Charity received donations amounting to £140,000 (2023 – £100,000) from the Sisters of the Cross and Passion CIO to cover legal fees, insurance premia, utility bills and security costs relating to St Gabriel's Hall and the Imani Centre. These properties were sold by the Charity during the year, resulting in a donation of the proceeds of £9,750,000 (2023 – £nil) to the Sisters of the Cross and Passion CIO. In addition, a further donation of £70,000 was made to the Sisters of the Cross and Passion CIO to support its charitable work.

Other than the transactions described above and detailed in note 8, there were no further related party transactions during the year that require disclosure (2023 – none).

17 Post balance sheet events

On 5 December 2024, the charity's administrative address changed to The Briery Retreat Centre, 38 Victoria Avenue, Ilkley, West Yorkshire LS29 9BW. The intention is to dispose of the property in Middleton, Manchester during 2025.

SISTERS OF THE CROSS AND PASSION

England & Wales - Charity number 1038483

Accounts



Sisters of the Cross and Passion

Annual Report and Accounts

31 March 2023

Charity Registration Numbers
1038483 (England and Wales)
SC038416 (Scotland)

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

| | |
|--|--|
| Trustees | Sister Claire Dawson C.P. (appointed 10 August 2022) Sister Margaret Gorman C.P. (Sister Carmel) Sister Anne Hammersley C.P. Sister Margaret O'Regan C.P. (Sister Therese) Sister Margaret Steed C.P. (Sister Savio) Sister Eileen Fucito C.P. (resigned 1 June 2022) |
| Province Leader | Sister Margaret Steed C.P. |
| Province Bursar | Mrs Sakina Lowe |
| Principal address | Cross & Passion Convent 299 Boarshaw Road Middleton Manchester M24 2PF |
| Telephone | 0161 655 3184 |
| Email | pltcpsisters@gmail.com |
| Website | www.crossandpassion.com |
| Charity Registration Number - England and Wales | 1038483 |
| Charity Registration Number - Scotland | SC038416 |
| Accountants | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Auditor | RSM UK Audit LLP Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE |
| Investment managers | Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ |

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

| | |
|---|---|
| Principal bankers | The Royal Bank of Scotland plc 1 Dale Street Liverpool L2 2PP M&T Bank 1 Financial Plaza Hartford Connecticut CT 06103 United States |
| Solicitors England and Wales | Wrigleys Solicitors LLP 3rd Floor, 3 Wellington Place Leeds LS1 4AP |
| Solicitors Northern Ireland | Conway, Todd & Co 22 Market Square Antrim BT41 4DT Edwards & Co 28 Hill Street Belfast BT1 2LA |
| Finance and General Purposes Committee | Elizabeth Wilson, Wrigleys Solicitors LLP Amanda Francis, Buzzacott LLP Andrew Mather, CS2 Chartered Surveyors |
| Insurance Brokers | Steve Burns, Marsh Commercial, UK |
| Energy Broker | Charles Lowe, EnergyFlowe Limited, UK |

Report of the Trustees Year to 31 March 2023

The Trustees present their statutory report, together with the accounts of the Sisters of the Cross and Passion (the 'Charity'), for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 27 to 32 and comply with the Charity's Trust Deed, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The accounts also comply 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 the Republic of Ireland (FRS 102).

PART ONE

CHAPTER ONE – Who we are

Introduction

The Sisters of the Cross and Passion is an international Roman Catholic Religious Congregation founded in industrial England in 1852. It is divided into a number of individual areas and provinces under the authority of the Congregational Leadership Team (CLT). The Sisters reside in the UK, Republic of Ireland, Botswana, Chile, Argentina, Peru, Australia, Vietnam and the USA. The members of the CLT live in the UK, Chile, Australia and the USA; their offices are in Larne, Antrim, Northern Ireland. The Team comprises the Congregational Leader and a team of three Sisters.

The Sisters from St Paul's Province live in England and Wales. The accounts accompanying this report are those of the charitable trust on which the assets of St Paul's Province were held until 31 March 2021 and include the congregational assets (the Charity). The Charity is governed by a Trust Deed dated 25 March 1994 and is registered with the Charity Commission:

| | | |
|-----------------------------|-------------------|---------|
| Charity Registration Number | England and Wales | 1038483 |
|-----------------------------|-------------------|---------|

| | | |
|-----------------------------|----------|----------|
| Charity Registration Number | Scotland | SC038416 |
|-----------------------------|----------|----------|

The trustees have been working for some time on a project to de-merge the Province and the Congregation and simultaneously to incorporate the Province.

With effect from midnight on 31 March 2021, in accordance with a legal transfer of undertakings dated 31 March 2021 and a resolution of the trustees, certain activities, assets and liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO); Sisters of the Cross and Passion CIO, Charity Registration Number 1185348 (the 'successor Charity'). Other congregational (CLT) assets and liabilities remain in the Charity for the time being, together with some Province assets which the trustees have been advised to leave in the Charity. The Sisters of the Cross and Passion CIO will be the main vehicle for delivering the Province activities going forward. The Charity ceased to be CQC-registered on 1 April 2021 (as the CQC registration transferred to the CIO on that date), and therefore ceased CQC registered activities at midnight on 31 March 2021.

Mission and Objectives

The corporate mission of the Sisters of the Cross and Passion is to witness to the reconciling, forgiving and compassionate love of God through openness to the needs of the world and especially those of the poor and marginalised.

The Sisters of the Cross and Passion identify with Christ in his Passion, Death and Resurrection. We aspire to a more just and compassionate world, where the rights and dignity of the whole of creation is upheld and respected.

What follows is an account of the work of the Charity from April 2022 to March 2023. Benefits are identifiable and touch the lives of the people whom the Sisters seek to serve in all their ministries.

The objectives of the Sisters of the Cross and Passion, as stated in the Trust Deed, are the relief of poverty, the provision of relief assistance and comfort to the sick, the provision of education and the advancement of the teachings of the Roman Catholic Church (or other such charitable purposes as are lawfully authorised from time to time by the constitutions of the Congregation) by such means as are suited to the time and place in which the provision is to be made.

To fulfil these objectives, the Sisters regularly evaluate their pastoral activities in the light of their Charism, present day needs and requests for help in new ministries and new localities. Policies and procedures are reviewed and updated regularly in accordance with statutory regulations and congregational objectives.

As Sisters of the Cross and Passion we hope that our lives witness to the reconciling, merciful and compassionate love of God. We are covenanted to be bearers of the mercy of God by responding to the needs of the world in our time, as Venerable Elizabeth Prout, our foundress, did in hers.



- 1 Pastoral and Spiritual Care
- 2 Education
- 3 Missions
- 4 Future Plans

CHAPTER TWO - Activities, Achievements, Future Plans

1 Pastoral and Spiritual Care

The Congregational Leader, helped by her Councillors (CLT Team), has the overall pastoral responsibility for all the Sisters in the Congregation and must comply with statutes laid down in Canon Law and the Constitutions of the Sisters of the Cross and Passion (The Covenant of the Passion) as well as the civil/charity laws of the various countries in which the Sisters reside. The Sisters live in the UK, Republic of Ireland, USA, Argentina, Chile, Peru, Botswana, Vietnam and Australia.

One of their major pastoral duties is to communicate with and visit all the Sisters in the Congregation. While we are now able to engage in pastoral visits, we continue to hold meetings on Zoom in an effort to reduce our carbon footprint. Most of our meetings over the past two years involved preparation for our Congregational Assembly (General Chapter).



CONGREGATION INTERNATIONAL MEETING ON ZOOM

The Ordinary General Chapter meets every six years, at which the Congregational Leader and her Councillors are elected and policies which will foster the mission and administration of the Congregation are put in place. For the first time in our history this Chapter took place online, with preparation involving many online meetings in 2020, 2021 and 2022. The Chapter concluded in June 2022 when the Congregational Leader and her Councillors were elected. There followed a twelve day, live meeting for the newly elected Team, in Drumalis, Larne in September 2022 to plan the implementation of the Chapter recommendations for the next six years.

Norm 102 Covenant of the Passion:
The General Chapter is the highest legislative body in the Congregation.



A TREE WAS PLANTED AT THE CLT OFFICE ON THE OPENING DAY OF THE VIRTUAL ASSEMBLY.

2 Education

Whilst the work of the Sisters in the Congregation in earlier years was in education, we now see this legacy carried forward in schools and colleges, which were set up by the Sisters in the various countries in which they are resident. One such institution in England, with which the CLT is still involved, is:

Leeds Trinity University



Leeds Trinity University was co-founded by the Sisters of the Cross and Passion and the Catholic Education Service as a teacher training college in 1967. In the fifty-six years since its foundation, it has transformed itself into a university renowned for teaching excellence and has been ranked by the Times and Sunday Times as the sixth best university in the country for teaching quality. Leeds Trinity offers undergraduate, postgraduate, foundation and top-up courses, as well as apprenticeship and work-based learning.

In accordance with the Articles of Association, the trusteeship of the University remains with the Diocese of Leeds. While the Sisters are no longer actively involved in the day-to-day life of LTU, the Congregational Leader has a representative on the Board of Governors, who keeps her informed of developments. Her role is to promote the spiritual ethos, which is part of the heritage of the University. The CLT are consulted on the appointment of new trustees to the Board and have the right to nominate up to five people to be independent on the Board.

The updated mission statement of LTU reads:

“Our mission is guided by our Catholic identity and faith foundation...We are committed to the promotion of dignity, respect, social justice and equality in order to deliver positive social and economic impacts.” (LTU Mission Statement.)



SISTERS ATTENDING LEEDS TRINITY DAY 1ST NOVEMBER 2022. THEY ARE WITH PROFESSOR EGBU, VICE CHANCELLOR AND SUE RIX OUR REPRESENTATIVE ON THE BOARD.

2 Education (continued)

Leeds Trinity University (continued)

It is encouraging to hear that the statement does not just remain on paper, but that LTU was the first university in Yorkshire to achieve the *Race Equality Charter (REC) Bronze Award* in November 2020. This was followed by the *Gold Whatsuni Student Choice Award* in 2022 for diversity and inclusion and was short listed for *Outstanding Contribution to Equality, Diversity and Inclusion* at the *Times Higher Education (THE) Awards* in 2022.

These are some of the values that we, as Sisters of the Cross and Passion, aspire to and are happy to see implemented.

Formation/Education



FINAL PROFESSION OF THE FIRST FOUR SISTERS IN VIETNAM IN JANUARY 2023.

One of the pastoral responsibilities of the CLT is to coordinate an *international formation/education programme* for young Sisters, who are joining the Congregation. Most of the older, established areas in the Congregation have sufficient funding and personnel to run their own programmes, but newer areas require both financial support and support with personnel. The area where there has been most development in the past year is Vietnam. The numbers of young Sisters in Vietnam who require formation are increasing. Financial support has been given for formation during the year 2022/23. We envisage that this support will continue for the next five years until this area of the Congregation becomes self-sustaining. The Congregational Leader made a pastoral visit to Vietnam in January for the Final profession ceremony which took place in Ho Chi Minh City. She then visited the Sisters in Australia for the Final Profession of one of our Sisters there. This one journey was a saving on our carbon footprint.

2 Education (continued)

Formation/Education (continued)

One of the Government requirements for the Sisters in Vietnam to be fully registered as a religious Congregation is that they own their own property. We have contributed to the building of a house in Dong Nai Province which hopefully will be completed by August 2023.



Other areas which require support are Botswana and Peru, where there are very few Sisters who, in spite of low numbers, are carrying on outreach work amongst the very poor.

Justice/Education



Passionists International

Passionist International is one of a number of groups of Religious men and women who work as NGO representatives at the United Nations. We believe that the presence of Religious in such a complex diplomatic system can give an independent voice that promotes the development of the weakest and most disadvantaged peoples. From its beginning Passionist International has promoted the defence of vulnerable populations (particularly indigenous ones), the development of policies to protect those social groups more susceptible to poverty, as well as women's rights, especially girls. They have recently added the topics of emergency migration and care of the planet to their remit.

The CLT and the Passionist men's community agreed to provide financial and personnel support to Passionist International at the United Nations for the next two years. In 2022/23 we have contributed £17,253 to this project.

A part-time administrator has been appointed for Passionist International.

3 Missions

A mission outreach has always been a part of our Charism. Many of our Sisters in the Congregation have had experience of working and living on our Missions. The provision of financial support and personnel is the responsibility of the CLT. Any contributions, donations or legacies for the Missions are channelled through the CLT. In the past year, three Mission areas received financial support for projects.

Pachacutec, Lima, Peru

After Cairo in Egypt, Lima, Peru is the second largest city in the world, located in a desert. 66% of Peru's population, some 20 million people, live in the coastal zone where there is a chronic water shortage. Pachacutec, located in the north-west of Lima, is one of the poorest areas of the city. It has a population of 180,000 people. Thousands of people were relocated to this area with little or no infrastructure in place. Three of our Sisters live there and the CLT has set aside funding for a project to build a centre for disabled children.

3 Missions (continued)

Pachacutec, Lima, Peru (continued)



PACHACUTEC, LIMA, PERU.

Botswana

Again a country located in a semi desert area where two Sisters work in outreach projects to help the poor. One such project was the acquisition of a piece of land on which to grow crops in a poor rural area; *Mmamhiko*. We funded the sinking of a bore hole to provide water two years ago and followed with funding for farm implements. The result of this is the successful production of crops as seen in the photos below



HARVESTING MAIZE, SHELLING MAIZE & SWEET REED AND CRUSHING BEANS



FEEDING OF CHILDREN DURING THE SCHOOL HOLIDAYS.

3 Missions (continued)

Argentina

Three Sisters live in a community in Corrientes about 1000km from Buenos Aires. Corrientes is a region known as the Argentine Mesopotamia. It is a rural area with the main activities centred in cattle rearing, crop production and timber. It is one of the areas, in the world, which has been devastated by bush fires which raged for over a month in February 2022. The Sisters have a permanent mission in a village called San Miguel which was one of the villages destroyed in the fires. Families in that area lost everything; their cattle, crops and many of their homes. We sent them \$5,000 out of our Mission fund. The money has been used to buy food for farm animals, as pastureland has been destroyed by the fires, and crop seeds.



BUSH FIRES IN CORRIENTES, FEBRUARY 2022.

4 Future Plans

- ◆ To encourage all Sisters in their ministries, encouraging them to live by the *Directives for Ministry* set out in our Congregational Chapter 2022
- ◆ To continue to live out of our *Organic Participative Model of Leadership* in the Congregation through consultation and discernment.
- ◆ To encourage as many Sisters as possible to use social media as a means of communication so that as a Congregation we may have a greater sense of unity.
- ◆ To be faithful stewards of the work entrusted to us by:
 - ◇ valuing the resources of the Charity;
 - ◇ maintaining, developing, donating or selling property in a responsible manner and in accordance with Charity Law guidelines;
 - ◇ using the financial resources of the Charity in a responsible manner. In these matters listening to our advisors;
 - ◇ completing the remaining work of removing the congregational assets from the Charitable Trust to a separate charity, either to a company limited by guarantee or a CIO;
 - ◇ being alert to any changes in Charity Law which will affect the Charity.

On 5 July 2023, the Charity completed the sale of the St Gabriel's Hall, a property that had been used as an all-female hall of residence for Manchester University and which was leased to the University on a peppercorn rent. The sale included the adjoining Imani Centre. The sale of this property realised proceeds of £11,007,775. £9,750,000 of the money received from the sale has been transferred to the successor charity, Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and has been invested to enable the Charity to continue its work into the future. The residual proceeds have been retained by the Charity to assist the work of the Congregational Leadership and provide working capital.

1 Income

Income is generated through:

- ◆ Bank deposit interest;
- ◆ Investments; and
- ◆ Legacies and donations

2 Expenditure

The main role of the Congregational Leadership Team (CLT) is the pastoral care of the Sisters and having an overview of the charitable activities of the Congregation. The Congregational Leader is the official representative of the Congregation in the Roman Catholic Church.

Before the advent of Covid this involved the team travelling to all areas of the Congregation. Travel expenses have therefore been greatly reduced during the past two years. However, other expenses have increased, such as investment in IT services, equipment and skills in order to facilitate digital communication throughout the Congregation. Now that travel is allowed it will be incumbent on the leadership Team to make pastoral visits to the Sisters in different parts of the world. However, we are conscious of the cost of air transport in terms of our carbon footprint and the damage to the planet so we will continue to hold many of our meetings on zoom. To facilitate better communication among all our Sisters we have upgraded our zoom package to include translation transcripts.

The expenses incurred in preparation for the General Chapter, which was held virtually and began on 30 March 2022 amounted to a large portion of the expenditure over the past two years.

This included payments for a facilitator (both before and during the Chapter), spiritual director, speakers, legal and financial advisors, translators and technical support services before and during the Chapter, and general administration.

Expenditure of the Charity comprises:

- ◆ administration expenditure, which includes renting office space, payment of staff and any travel expenses;
- ◆ extraordinary expenses involved in the preparation for, organising and running of a digital congregational Chapter, which took place between 30 March and 5 June 2022;
- ◆ Sisters' healthcare and living expenses in developing areas such as Peru, Botswana and Vietnam;
- ◆ donations and financial support to the Congregation's Mission projects;
- ◆ formation and education support for our young Sisters;
- ◆ those costs associated with the management of the Charity's investment portfolios and the compliance with regulatory and statutory requirements;

The CLT and the Passionist men's community agreed to provide financial and personnel support to Passionist International at the United Nations for the next two years.

3 Tangible Fixed Assets

Tangible fixed assets consist mainly of buildings with their fittings and furniture and plants in our convents. The members of the CLT in the UK live in houses owned by the Province, which were transferred to the successor charity on 31 March 2021. The CLT owns office equipment in its office in Drumalis Retreat Centre.

4 Results for the year

The statement of financial activities for the Charity shows net expenditure before listed investment losses and fair value gains on the assets held for sale of £639,907 (2022 – £1,071,874) with total income amounting to £409,681 (2022 – £1,052,773) and expenditure prior to transfers to the CIO amounting to £1,049,588 (2022 – £2,124,647).

Total income for 2023 includes £16,914 (2022 – £179,508) of donations, legacies and similar income. Other major categories of income include investment income and interest receivable, grants receivable from the province and, in the prior year, a surplus on disposal of tangible fixed assets.

There were no transfers to the CIO during the year (2022 – £8,622,195) giving total expenditure for the year of £1,049,588 and, after listed investment losses of £407,232 (2022 – gains of £279,738) and a fair value gain on properties held for sale which were disposed of following the balance sheet date of £9,097,829 (2022 – £nil), a net increase in funds of £8,050,690 (2022 – a net decrease in funds of £9,414,331).

5 Investment performance

The purpose of holding listed investments is to earn income to be used to facilitate the work of the CLT and further the charitable work of the Congregation now and in the future.

The Congregation has discretionary investment agreements with Sarasin & Partners LLP and Rathbone Investment Management Limited. Representatives of the trustees meet with the fund managers and financial advisers during the year to ensure that the funds are managed in accordance with the investment policy and the religious and ethical principles of the Congregation. The objective of the fund managers is to achieve a reasonable return of both income and capital growth with no more than a conservative to moderate level of risk.

The performance and structure of the principal portfolios continues to be closely monitored.

An income yield of 2.3% was achieved, but the investments suffered a capital loss of 5.9%. At the end of the year the Charity's portfolio of listed investments comprised 52.91% unit funds, 17.39% UK equities, 18.5% UK fixed interest stocks, 4.20% fixed interest based funds, 1.53% overseas unit trusts and 5.12% alternative investments.

The value of the listed investments decreased by £445,970 from a market value of £6,964,488 at the end of March 2022 to a value of £6,518,518 at the end of March 2023, a fall of 6.4% after accounting for additions and disposals of listed investment holdings.

6 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 Charity is dependent in part on investment income generated by the listed investments held to enable it to meet its ongoing expenditure. The trustees estimate that this income needs to be approximately £160,000 per annum and hence based on an income yield of 2.5%, the value of the Charity's investment portfolio needs to be approximately £6.5 million. Consequently, the trustees believe the Charity's free reserves should equal this figure plus an amount equal to annual unrestricted expenditure. The trustees consider that, given the nature of the Charity's work and its commitments, it is prudent to retain this level of free reserves.

7 Financial position

The balance sheet shows free reserves of £17,800,683 at 31 March 2023 (2022 – £9,813,657).

The tangible fixed assets fund totals £63,664 (2022 – £56,977) and represents tangible fixed assets.

Funds which are available to support the work of the Charity in the future are those shown on the balance sheet as general funds. These amount to £17,800,683 at 31 March 2023 (2022 – £9,756,680). This includes £11,007,775 representing the market value of current assets held for sale which were disposed of following the balance sheet date (please see Chapter four, below, for further details). Of this amount, £9,750,000 has subsequently been donated to the charity's successor charity, Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and has been invested to enable that Charity to continue its work into the future. The residual proceeds have been retained by the charity to assist the work of the Congregational Leadership and provide working capital.

Excluding the value of donations made to the successor charity following the year end, the Charity's free reserves amounted to £8,050,683. Whilst this level of free reserves is slightly above that demanded by the above policy, given the current macroeconomic and geopolitical climate in the UK and elsewhere in the world, the trustees deem the free reserves to be adequate but not excessive.

CHAPTER FOUR – Trustees' duties and Compliance with Charity Requirements

1 Property – sales, donations, ongoing development, maintenance

Province property not transferred to the CIO.

St Gabriel's Hall

St Gabriel's Hall was an all-female hall of residence for Manchester University which was leased to the University on a peppercorn rent for thirty-five years until the lease expired in 2018, which was also the centenary year of its foundation. An extension to the lease was agreed with the University until September 2019, when the premises were vacated. Following the year end, the trustees, with the help of their advisors, have successfully sold this property, and the adjoining Imani Centre for proceeds of £11,007,775. £9,750,000 of the money received from the sale has been transferred to the successor



St Gabriel's Hall

charity, Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and has been invested to enable the Successor Charity to continue its work into the future. The residual proceeds have been retained by the Charity to assist the work of the Congregational Leadership and provide working capital. Up to the point of sale, the cost of insurance and security was covered by Province money held in the Charity.

2 Policies, Reports and Plans

We reviewed our:

- Risk Management Policy
- Disaster Plan
- Safeguarding Policy
- GDPR Policy

We compiled our: Charity Annual Report and Accounts (UK)

3 Safeguarding

The CLT are responsible for ensuring that Safeguarding Policies are in place throughout the Congregation.

4 Archives

One Sister is engaged full-time in preserving the archives of the congregation. She ensures that all collections are sorted, carefully stored and remain confidential. Finding a permanent home for the storage of our archives still remains one of our goals.

5 General Data Protection Regulation (GDPR)

With the help of our solicitors we have drawn up an umbrella Data Protection Policy for the Charity, which covers the processing and control of data from four main areas: employment data; data relating to Sisters in care; data relating to the users of our retreat centres and data kept on individual Sisters in the Congregation's office. This policy is reviewed on an annual basis.

6 Investment Policy

The Charity's investments are managed by Sarasin & Partners LLP, Rathbone Investment Management Ltd and Invesco USA.

There are no restrictions on the Charity's power to invest.

The Investment Strategy is set by the trustees and takes into account income requirements, the risk profile and investment manager's views of the market prospects in the medium term.

The policy is to maximise total return through diversified portfolios whilst providing a level of income advised by the trustees from time to time.

There is also an Ethical Policy precluding any investment in any company which, after reasonable enquiry, clearly has significant profits from any activity whose objectives are contrary to ours and considered to be unjust or damaging to health and wellbeing. We updated our Investment Policy in 2022 to ensure that it is in line with our commitment to the Care of the Poor and the Earth.

The performance of the portfolios and the Charity's Investment Strategy are reviewed by the trustees, who meet with the investment managers twice yearly.

7 Insurance

A review of the major risks to which the Charity is exposed and of systems established to mitigate those risks is undertaken annually by the trustees.

8 Continued Professional Development

For our own professional development and to keep ourselves updated with changes we have attended numerous online courses and Zoom meetings.

During 2022/23 the Congregational Leader or her representative attended:

- ◆ The UK CIO and Charity Trust meetings
- ◆ Meetings with Investment Managers and Financial Advisors
- ◆ Misesan Cara (Irish Missionary) Development Organisation
- ◆ Religious Leaders meetings (AMRI, COREW, LCWR, UISG)
- ◆ CLT Team Meetings
- ◆ Meetings with the whole Congregation to implement the decisions of the General Chapter

CHAPTER FIVE: Governance, Trustees' Responsibilities, Risk Management

1 Governance

Sisters of the Cross and Passion

In terms of Canon Law, at international level the Congregational Leadership Team (CLT) is the major spiritual and administrative body of the Congregation of the Sisters of the Cross and Passion. The administration of the CLT continues to be centred in the United Kingdom.

In keeping with the charitable work envisaged by the Trust Deed, the CLT often make donations to other charitable organisations. The finances of the CLT also incorporate the administrative and financial costs and the expenses incurred by the members of the team.

In terms of civil law, the Charity is governed by its own Trust Deed dated 25 March 1994 and is a registered Charity under the Charities Act 2011; Charity registration number 1038483 (England and Wales). It is also a registered Charity in Scotland, Charity registration number SC038416 (Scotland). The trustees have been working for some time on a project to de-merge the Province and the Generalate and simultaneously to incorporate the Province. This took a major step forward on 1 April 2021 when the Province's assets, activities, contracts, employees and liabilities were transferred to Sisters of the Cross and Passion CIO (registered Charity number 1185348). Generalate assets remain in the charitable trust for the time being, together with some Province assets, which the Sisters have been advised to leave in the charitable trust.

The trustees of the Charity are the congregational leader, the provincial leader and provincial councillors. As all trustees are members of the Congregation they have a detailed knowledge of the work of the Charity and of its structure. The trustees, one of whom is the canonical bursar, are members of the Congregation. They receive no remuneration or reimbursement of expenses in connection with their duties as trustees. On being appointed, new trustees spend time with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

The names of the trustees who served during the year are set out as part of the reference and administration details on page 1 of this annual report and accounts.

2 Risk Management

The key risks for the Charity, as identified by the trustees, are described below, together with the principal ways they are mitigated.

- ◆ **The value of investments:** The Charity's main assets are in its investments. The value of listed investments is dependent on movements in UK and world stock markets. At the present time the markets are very volatile. The investments are managed by reputable investment managers, who adhere to a policy agreed by the trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs, both now and into the future.

2 Risk Management (continued)

- ◆ **Reliance on key staff and the need for succession planning:** Advice is taken on investment management, accountancy, actuarial, legal and business matters from lay professionals. These advisors meet three times a year, with sub-committees meeting when necessary. They monitor risks and the Risk Management Policy and refer matters to the CLT for consideration.
- ◆ **The change of Trustees:** When a new leadership team is elected into office this involves a change of trustees. On being appointed, new trustees spend time with those trustees leaving office. They also meet with the congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

During their pastoral visits, the trustees continue to monitor the major risks to which the Charity may be exposed and systems are investigated and established to mitigate these risks.

A review of major risks to which the Charity is exposed and the systems established to mitigate those risks is undertaken annually by the trustees.

Since the lockdown in March 2020, meetings with Sisters and staff have been conducted by Zoom. The trustees attended various online courses during the year to keep abreast of any developments.

3 Trustees' Responsibility Statement

The Trustees are responsible for preparing the report of the Trustees and the Accounts in accordance with applied law and United Kingdom Accounting Standards including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, and in Scotland, 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 the Charities SORP;
- ◆ make judgments and accounting estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

3 Trustees' Responsibility Statement (continued)

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, applicable charity (Accounts and Reports) regulations 2008, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Irish Charities Act 2009 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. Throughout this report, in particular in Chapter Two, the Trustees have demonstrated how the Charity has been faithful to this. The activities of the Charity can be divided into five main areas, namely: Education; Health; Pastoral and Spiritual Care; Social Care and Projects we support financially.

4 Summary and Acknowledgements

This report is a summary of the work of the Congregation. The accounts accompanying this report show the movement of funds in the year ended 31 March 2023.

We, the Trustees, acknowledge with gratitude the professionalism and commitment of all our staff, volunteers and the individual members of the Congregation. Their dedication, support and positive approach are very encouraging for us.

We wish also to record our thanks to the professional bodies on whose advice and expertise we rely.

Approved by the trustees and signed on their behalf by:

M. J. Steed

Sister Margaret Steed C.P.

Trustee

Approved by the trustees on: 22 November 2023



Independent auditor's report to the trustees of Sisters of the Cross and Passion

Opinion

We have audited the financial statements of Sisters of the Cross and Passion (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources 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 and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements are authorised for issue.

Conclusions relating to going concern (continued)

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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper and sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on pages 18 and 19, the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of trustees (continued)

In preparing the financial statements, 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 financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

Auditor's responsibilities for the audit of the financial statements (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are Charities SORP (FRS 102), Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011 and the charity's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



RSM UK Audit LLP
Statutory Auditor
Bluebell House
Brian Johnson Way
Preston
PR2 5PE
Date: 29/11/23

RSM UK Audit 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 March 2023

| | Notes | Un-restricted funds £ | Restricted funds £ | Total funds 2023 £ | Un-restricted funds £ | Restricted funds £ | Total funds 2022 £ |
|---|-------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| Income from: | | | | | | | |
| Donations and legacies | 1 | 16,914 | — | 16,914 | 179,508 | — | 179,508 |
| Investment income and interest receivable | 2 | 175,593 | — | 175,593 | 159,872 | — | 159,872 |
| Charitable activities | | | | | | | |
| . Grants receivable | 19 | 100,000 | — | 100,000 | — | — | — |
| Other sources | | | | | | | |
| . Surplus on disposal of tangible fixed assets | | — | — | — | 624,498 | — | 624,498 |
| . Foreign exchange gains | | 6,793 | — | 6,793 | 58,848 | — | 58,848 |
| . Refund in respect to security fees | | 77,060 | — | 77,060 | | | |
| . Miscellaneous income | | 33,321 | — | 33,321 | 30,047 | — | 30,047 |
| Total income | | 409,681 | — | 409,681 | 1,052,773 | — | 1,052,773 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| . Investment management costs | | 22,238 | — | 22,238 | 23,654 | — | 23,654 |
| Charitable activities | | | | | | | |
| . Donations and support of overseas missions | 3 | 496,732 | — | 496,732 | 81,347 | — | 81,347 |
| . Support of members of the Congregation and their ministry | 4 | 530,618 | — | 530,618 | 569,646 | — | 569,646 |
| . Donations to Sisters of the Cross and Passion CIO | 18 | — | — | — | 1,450,000 | — | 1,450,000 |
| | | 1,049,588 | — | 1,049,588 | 2,124,647 | — | 2,124,647 |
| Transfer to Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and its subsidiary | 18 | — | — | — | 8,622,195 | — | 8,622,195 |
| Total expenditure | | 1,049,588 | — | 1,049,588 | 10,746,842 | — | 10,746,842 |
| Net expenditure before net investment (losses) gains | | (639,907) | — | (639,907) | (9,694,069) | — | (9,694,069) |
| Net (losses) gains on listed investments | | (407,232) | — | (407,232) | 279,738 | — | 279,738 |
| Net fair value gains on assets held for sale | 11 | 9,097,829 | — | 9,097,829 | — | — | — |
| Net income (expenditure) and net movement in funds | 6 | 8,050,690 | — | 8,050,690 | (9,414,331) | — | (9,414,331) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2022 | | 9,813,657 | — | 9,813,657 | 19,227,988 | — | 19,227,988 |
| Fund balances at 31 March 2023 | | 17,864,347 | — | 17,864,347 | 9,813,657 | — | 9,813,657 |

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

All the activities reflected in the above statement of financial activities related to continuing operations.

Balance sheet 31 March 2023

| | Notes | 2023 £ | 2022 £ |
|--|-------|-------------------|------------------|
| Fixed assets: | | | |
| Tangible assets | 10 | 63,664 | 56,977 |
| Assets held for sale | 11 | — | 1,909,946 |
| Investments | | | |
| · Listed investments | 11 | 6,662,915 | 7,037,205 |
| Total fixed assets | | 6,726,579 | 9,004,128 |
| Current assets: | | | |
| Assets held for sale | 11 | 11,007,775 | — |
| Debtors | 12 | — | 1,962 |
| Cash at bank and in hand | | 189,294 | 829,692 |
| Total current assets | | 11,197,069 | 831,654 |
| Liabilities: | | | |
| Creditors: amounts falling due within one year | 13 | (59,301) | (22,125) |
| Net current assets | | 11,137,768 | 809,529 |
| Total net assets | | 17,864,347 | 9,813,657 |
| The funds of the Charity: | | | |
| Unrestricted funds | | | |
| · Tangible fixed assets fund | 14 | 63,664 | 56,977 |
| · General fund | | 17,800,683 | 9,756,680 |
| | | 17,864,347 | 9,813,657 |

Approved by the trustees
and signed on their behalf by:

M. J. Steed

Sister Margaret Steed C.P.
Trustee

Approved on: 22 November 2023

Statement of cash flows Year to 31 March 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|------------------|-------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | A | (773,149) | (1,466,147) |
| Cash flows from investing activities: | | | |
| Investment income and interest received | | 175,593 | 159,872 |
| Proceeds from the disposal of tangible fixed assets | | — | 1,608,498 |
| Purchase of tangible fixed assets | | (9,900) | — |
| Proceeds from the disposal of investments | | 473,642 | 527,945 |
| Purchase of investments | | (428,564) | (569,260) |
| Net cash provided by investing activities | | 210,771 | 1,727,055 |
| Change in cash and cash equivalents in the year | | (562,378) | 260,908 |
| Cash and cash equivalents transferred to Sisters of the Cross and Passion CIO (Charity Registration 1185348) | | — | (114,180) |
| Cash and cash equivalents at 1 April 2022 | B | 902,409 | 788,335 |
| Change in cash and cash equivalents due to exchange rate movements | | (6,340) | (32,654) |
| Cash and cash equivalents at 31 March 2023 | B | 333,691 | 902,409 |

Notes to the statement of cash flows for the year to 31 March 2023.

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

| | 2023 £ | 2022 £ |
|---|--------------------|-------------|
| Net movement in funds (as per the statement of financial activities) | 8,050,690 | (9,414,331) |
| Adjustments for: | | |
| Depreciation charge | 3,213 | 44,341 |
| Losses (gains) on investments | 407,232 | (279,738) |
| Fair value gain of assets held for sale | (9,097,829) | — |
| Investment income and interest receivable | (175,593) | (159,872) |
| Net surplus on disposal of tangible fixed assets | — | (624,498) |
| Decrease in debtors | 1,962 | 337,975 |
| Increase in creditors | 37,176 | 7,781 |
| Transfer to Sisters of the Cross and Passion CIO | — | 8,622,195 |
| Net cash used in operating activities | (773,149) | (1,466,147) |

B Analysis of cash and cash equivalents

| | 2023 £ | 2022 £ |
|--|----------------|-----------|
| Cash at bank and in hand | 189,294 | 829,692 |
| Cash held by investment managers | 144,397 | 72,717 |
| Total cash and cash equivalents | 333,691 | 902,409 |

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. The principal accounting policies relate to both the current and comparative figures.

Basis of preparation

These accounts have been prepared for the year to 31 March 2023 with comparative information given in respect to the year to 31 March 2022.

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 the principles set out in 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), 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:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ the valuation of investment assets;
- ◆ estimating the fair value of assets held for resale and classified as current assets;
- ◆ allocation of support costs across charitable activities; and
- ◆ estimating the value of legacies to be recognised in accordance with FRS 102.

Critical accounting estimates and areas of judgement

As set out in these accounting policies under “assessment of going concern”, the trustees have considered the effect on the Charity of the aftermath of the Covid-19 pandemic and also the current macroeconomic and geopolitical climate. They have concluded that although there may be some negative consequences, it is appropriate for the Charity to continue to prepare its accounts on the going concern basis.

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.

Certain of the previous activities of the Charity are now carried out by Sisters of the Cross and Passion CIO and the relevant assets and liabilities were transferred in 2021 and 2022 on a going concern basis. However, the Charity will continue to carry out the remaining activities and has retained certain assets and liabilities. Hence, the trustees of the Charity have concluded that it is appropriate for the accounts to be prepared on a going concern basis.

The trustees acknowledge and recognise the effect of the aftermath of the Covid-19 pandemic on the Charity and also the impact of the macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as greater volatility in the value of the Charity's listed investment portfolio and related income. However, the trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next 12 months, the most significant areas that affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, grants receivable and miscellaneous 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.

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

Gifts in kind and donated services are included at the lower of their value to the Charity and their estimated market value.

Income recognition (continued)

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.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

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

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. The classification between activities is as follows:

- a. Expenditure on raising funds comprises the salaries, direct costs and overheads incurred in soliciting donations, the costs associated with operating charity shops and the fees paid to investment managers in connection with the management of the Charity's listed investments, net of rebates received. Rebates arise when the fees deducted automatically through charges for common investment funds and related transactions exceed the fees agreed between the Charity and its investment managers.
- b. Expenditure on charitable activities comprises expenditure on the Charity's primary charitable purposes as described in the trustees' report and includes:

Expenditure recognition (continued)

- ◆ Charitable donations which relate, in the main, to the support of the Charity's missionary work overseas and the support of the Roman Catholic charitable organisations.
- ◆ Expenditure on the support of the work of the sisters. Such expenditure enables the members to carry out the work of the Charity in the areas of the advancement of the Roman Catholic faith and the relief of poverty.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of indirect costs and governance costs

Indirect costs represent indirect charitable expenditure. In order 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.

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.

Indirect costs and governance costs are able to be allocated to the specific charitable activities to which they relate.

Tangible fixed assets

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

- ◆ Freehold land and buildings
Freehold land and buildings are held at cost. Depreciation is provided at 2% per annum on a straight line basis to write the building elements off over their estimated useful life to the Charity.
- ◆ Plant, furniture and equipment
Expenditure on the purchase and replacement of items of plant, furniture and equipment, including computer equipment, is depreciated over a four to six year period on a reducing balance basis.
- ◆ Motor vehicles
Motor vehicles are capitalised and depreciated over a four to five year period on a reducing balance basis, in order to write off each vehicle over its estimated useful life.

Fixed asset investments

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

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

Fixed asset 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is 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.

Non-current assets held for sale

Non-current assets awaiting disposal comprise freehold properties that are in the process of being disposed of but where completion of the disposal is not expected within twelve months of the balance sheet date. The assets, classified as programme related investments prior to the decision to dispose of them, are included in the accounts at their net book value prior to reclassification. Non-current assets awaiting disposal are not depreciated.

Current assets held for sale

Current assets held for sale represent assets that had been marketed for sale prior to the year end but which were sold within twelve months of the year end. Such assets are included in the balance sheet at an estimate of their fair value at the balance sheet date, estimated on the basis of the anticipated sale proceeds.

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.

Creditors

Creditors 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 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 which may be applied at the discretion of the trustees.

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

Foreign currencies

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

Pension costs

The Charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative and other services provided by the members of the Congregation.

1 Donations and legacies

| | Unrestricted funds | Restricted funds | Total funds 2023 | Unrestricted funds | Restricted funds | Total funds 2022 |
|------------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Legacies | — | — | — | 36,995 | — | 36,995 |
| Donations | 352 | — | 352 | 124,993 | — | 124,993 |
| Other voluntary income | 16,562 | — | 16,562 | 17,520 | — | 17,520 |
| Total funds | 16,914 | — | 16,914 | 179,508 | — | 179,508 |

2 Investment income and interest receivable

| | Unrestricted funds | Restricted funds | Total funds 2023 | Unrestricted funds | Restricted funds | Total funds 2022 |
|--|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Income from listed investments | 164,686 | — | 164,686 | 159,859 | — | 159,859 |
| Interest receivable | | | | | | |
| . Interest on cash held by investment managers | 10,907 | — | 10,907 | 13 | — | 13 |
| Total funds | 175,593 | — | 175,593 | 159,872 | — | 159,872 |

3 Donations and support of overseas missions Group

| | Unrestricted funds | Restricted funds | Total funds 2023 | Unrestricted funds | Restricted funds | Total funds 2022 |
|--|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Grants to the Congregation's Overseas Missions | 496,732 | — | 496,732 | 81,347 | — | 81,347 |
| Total funds | 469,732 | — | 469,732 | 81,347 | — | 81,347 |

4 Support of members of the Congregation and their ministry

| | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ |
|---|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Sisters' living and personal expenses | 45,566 | — | 45,566 | 68,470 | — | 68,470 |
| Premises | 222,052 | — | 222,052 | 169,502 | — | 169,502 |
| Education, training and spiritual renewal | 87,659 | — | 87,659 | 68,608 | — | 68,608 |
| Administrative and similar costs | 104,798 | — | 104,798 | 237,326 | — | 237,326 |
| Other costs | 26,931 | — | 26,931 | 2,568 | — | 2,568 |
| Governance costs (note 5) | 43,612 | — | 43,612 | 23,172 | — | 23,172 |
| Total funds | 530,618 | — | 530,618 | 569,646 | — | 569,646 |

5 Governance costs

| | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ |
|------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Accountancy | 30,980 | — | 30,980 | 13,810 | — | 13,810 |
| Auditor's remuneration | | | | | | |
| · Statutory audit | 11,200 | — | 11,200 | 8,000 | — | 8,000 |
| Bank fees and charges | 1,432 | — | 1,432 | 1,362 | — | 1,362 |
| | 43,612 | — | 43,612 | 23,172 | — | 23,172 |

The above governance costs have been allocated to the following activities:

| | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ |
|---|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| Support of members of the Congregation and their ministry | 43,612 | — | 43,612 | 23,172 | — | 23,172 |
| | 43,612 | — | 43,612 | 23,172 | — | 23,172 |

6 Net income (expenditure) and net movement in funds

This is stated after charging:

| | 2023 £ | 2022 £ |
|------------------------|-----------|-----------|
| Staff costs (note 7) | 16,716 | 75,999 |
| Auditor's remuneration | | |
| · Statutory | 11,200 | 8,000 |
| Depreciation | 3,213 | 44,341 |

7 Staff costs and remuneration of key management personnel

| | 2023 £ | 2022 £ |
|--|---------------|---------------|
| Staff costs during the year were as follows: | | |
| Wages and salaries | 16,716 | 74,042 |
| Social security costs | — | 738 |
| Other pension costs | — | 1,219 |
| | 16,716 | 75,999 |

No employees earned £60,000 per annum or more (excluding employer's pension contributions but including taxable benefits) during the year or the comparative period.

The average number of full time equivalent employees during the year was:

| | 2023 No. | 2022 No. |
|---------------------------------------|-------------|-------------|
| Support of sisters and their ministry | 1 | 5 |
| | 1 | 5 |

The Trustees consider that they comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

As explained in note 8 below, all Trustees are members of the Congregation and whilst their living and personal expenses are borne by the Charity they receive no remuneration or reimbursement of expenses in connection with their duties as Trustees.

The total remuneration (including taxable benefits, employer's pension contributions and employers' national insurance contributions) of the key management personnel for the Charity was £nil (2022 – £49,023).

8 Trustees' expenses and remuneration and transactions with trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustees received any remuneration or reimbursement of expenses in connection with their duties as Trustees (2022 – none).

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the successor charity, Sisters of the Cross and Passion CIO (charity registration number: 1185348 (England and Wales) and 20015893 (Republic of Ireland) under a Gift Aid compliant deed of covenant. During the year, the trustees made no donations to the charity (2022 – none).

9 Taxation

The Sisters of the Cross and Passion 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.

10 Tangible fixed assets

| | Freehold land and buildings £ | Plant, furniture and equipment £ | Motor vehicles £ | Total £ |
|--------------------------|--|---|------------------------|----------------|
| Cost or valuation | | | | |
| At 1 April 2022 | 69,916 | 32,511 | — | 102,427 |
| Additions | — | — | 9,900 | 9,900 |
| At 31 March 2023 | 69,916 | 32,511 | 9,900 | 112,327 |
| Depreciation | | | | |
| At 1 April 2022 | 18,176 | 27,274 | — | 45,450 |
| Charge for year | 1,398 | 330 | 1,485 | 3,213 |
| At 31 March 2023 | 19,574 | 27,604 | 1,485 | 48,663 |
| Net book values | | | | |
| At 31 March 2023 | 50,342 | 4,907 | 8,415 | 63,664 |
| At 31 March 2022 | 51,740 | 5,237 | — | 56,977 |

11 Investments

At 31 March 2023 fixed asset investments comprised:

| | 2023 £ | 2022 £ |
|--|-------------------|-----------|
| Programme related investments (see a below) | — | — |
| Non-current assets held for sale (see b below) | — | 1,909,946 |
| Current assets held for sale (see b below) | 11,007,775 | — |
| Listed investments and cash held for re-investment (see c below) | 6,662,915 | 7,037,205 |
| At 31 March 2023 | 17,670,690 | 8,947,151 |

a. Programme related investments and assets held for sale

In the comparative period, two of the properties were not used directly by the Charity but they were used by other charitable and not-for-profit organisations for purposes consistent with the Charity's objectives. In some cases, rents were received but in other cases no formal rental agreement was in place. Therefore, the Trustees were of the opinion that the relevant land and buildings should be classified as programme related investments.

During the comparative period, the properties were vacated by their tenants and were in the process of being sold by the Charity and as such the properties were reclassified in these accounts as non-current assets awaiting disposal.

| | 2023 £ | 2022 £ |
|--|-----------|-------------|
| At 1 April 2022 | — | 1,909,946 |
| Reclassification as non-current assets awaiting disposal | — | (1,909,946) |
| At 31 March 2023 | — | — |

As explained under principal accounting policies, the properties included above were included in the accounts at a value equal to their depreciated cost immediately prior to reclassification in 2022. Further details in respect to these reclassified assets is given below.

11 Investments (continued)***b. Assets held for sale***

As noted above, two properties were reclassified in these accounts as non-current assets awaiting disposal during the comparative period. Negotiations with identified purchasers were ongoing at 31 March 2022. However, the sale was subject to the granting of planning permission for development. The sale completed subsequent to 31 March 2023 (see below).

St Gabriel's Hall

St Gabriel's Hall was used during both 2020 and 2019 as a hall of residence by Manchester University. During both of these years it was a catered, all-girls hall comprising of about 100 residents, along with five tutors and the hall warden forming the pastoral team. The hall admitted undergraduate and postgraduate students. The lease on the property expired in 2018. On the advice of the Charity's property advisor and solicitors the Trustees engaged Cushman and Wakefield to negotiate with the University of Manchester and the lease was extended until September 2019, when the properties were vacated.

The Imani Centre

The Imani Centre was used during both 2020 and 2019 by the Imani Community Association, to promote the benefit of the inhabitants of Manchester and the neighbourhood together with local authorities, voluntary and other organisations and so advance education and provide facilities in the interests of social welfare. Specific activities include regular self protection sessions, fundraising functions, young people's groups and play schemes. The property used by the Centre adjoins St Gabriel's Hall and is now also vacant following the expiry of the lease.

Following the year end, on 5 July 2023, both properties were sold, realising proceeds of £11,007,775. As such, they have been revalued to their fair value, measured as their aggregate selling price, and reclassified as current assets at the balance sheet date:

| | 2023 £ | 2022 £ |
|---|-------------------|------------------|
| At 1 April 2022 | 1,909,946 | — |
| Reclassification from programme-related investments | — | 1,909,946 |
| Fair value gain | 9,097,829 | — |
| At 31 March 2023 | <u>11,007,775</u> | <u>1,909,946</u> |

c. Listed investments and cash held for re-investment

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Listed investments | | |
| Market value at 1 April 2022 | 6,964,488 | 6,637,659 |
| Additions at cost | 428,564 | 569,260 |
| Disposals at book value (proceeds: £473,642; losses: £14,006) | (487,648) | (465,484) |
| Exchange movements | 6,340 | 5,326 |
| Net unrealised investment (losses)/ gains | (393,226) | 217,727 |
| Market value at 31 March 2023 | <u>6,518,518</u> | <u>6,964,488</u> |
| Cash held by investment managers for reinvestment | <u>144,397</u> | <u>72,717</u> |
| | <u>6,662,915</u> | <u>7,037,205</u> |
| Cost of listed investments at 31 March 2023 | <u>5,099,392</u> | <u>4,943,719</u> |

11 Investments (continued)

Listed investments for the charity for 2023, all of which were dealt in on a recognised stock exchange, comprised the following:

| | 2023 £ | 2022 £ |
|--|------------------|------------------|
| Fixed interest based common investment funds | 273,831 | 349,145 |
| Equities | 1,133,813 | 1,012,576 |
| Unit trusts | 3,448,688 | 3,645,166 |
| Alternative investments | 333,982 | 415,594 |
| Property | 1,228,229 | — |
| Overseas funds | 99,975 | 1,542,007 |
| | 6,518,518 | 6,964,488 |

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

Included in the investment portfolio was the following holding which, at 31 March 2023, had a market value which was deemed material in comparison with the market value of the total portfolio at that date:

| | 2023 Market value £ | 2023 Percentage of portfolio % | 2022 Market value £ | 2022 Percentage of portfolio % |
|--|------------------------------|---|------------------------------|---|
| Sarasin Endowments Fund (Income Units) | 3,448,688 | 52.91 | 3,645,166 | 52.34 |

12 Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|-----------|-----------|
| Prepayments and accrued income | — | 1,962 |
| | — | 1,962 |

13 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|---------------------|-----------|-----------|
| Accrued expenditure | 59,301 | 22,125 |

14 Tangible fixed assets fund

| | 2023 Total £ | 2022 Total £ |
|--|--------------------|--------------------|
| At 1 April 2022 | 56,977 | 9,566,453 |
| Net movement in year | 6,687 | (1,001,461) |
| | 63,664 | 8,564,992 |
| Transfer to Sisters of the Cross and Passion CIO (see note 18) | — | (8,508,015) |
| At 31 March 2023 | 63,664 | 56,977 |

14 Tangible fixed assets fund (continued)

The tangible fixed assets fund represents the net book value of the tangible fixed assets. A decision was made to separate this fund from the other funds of the Charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the Charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

15 Analysis of net assets between funds

| | General fund £ | Tangible fixed assets fund £ | Total 2023 £ |
|---|----------------------|--|--------------------|
| Fund balances at 31 March 2023 are represented by: | | | |
| Tangible fixed assets | — | 63,664 | 63,664 |
| Investments | 6,662,915 | — | 6,662,915 |
| Net current assets | 11,137,768 | — | 11,137,768 |
| Total net assets | 17,800,683 | 63,664 | 17,864,347 |

| | General fund £ | Tangible fixed assets fund £ | Total 2022 £ |
|--|----------------------|--|--------------------|
| Fund balances at 31 March 2022 are represented by: | | | |
| Tangible fixed assets | — | 56,977 | 56,977 |
| Assets held for sale | 1,909,946 | — | 1,909,946 |
| Investments | 7,037,205 | — | 7,037,205 |
| Net current assets | 809,529 | — | 809,529 |
| Total net assets | 9,756,680 | 56,977 | 9,813,657 |

The total unrealised gains as at 31 March 2023 and 31 March 2022 constitute movements on revaluation and are shown below.

| | 2023 £ | 2022 £ |
|---|-------------------|-----------|
| Unrealised gains included above: | | |
| On investments | 1,419,126 | 2,020,769 |
| On assets held for sale | 9,097,829 | — |
| Total unrealised gains at 31 March 2023 | 10,516,955 | 2,020,769 |
| Reconciliation of movements in unrealised gains (losses) | | |
| Unrealised gains at 1 April 2022 | 2,020,769 | 1,890,558 |
| Less: in respect to disposals in the year | (194,411) | (92,842) |
| Net (losses) gains arising on revaluation of listed investments in the year | (407,232) | 223,053 |
| Fair value gain of assets held for sale in the year | 9,097,829 | — |
| Total unrealised gains at 31 March 2023 | 10,516,955 | 2,020,769 |

16 Pension commitments

The Charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

17 Ultimate control

The Charity, which is constituted as a trust, was controlled throughout the period by St Paul's Province of the Sisters of the Cross and the Passion by virtue of the fact that the members of the Congregation appoint the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province are vested in the Trustees of the Charity, who undertake all transactions entered into in the course of the Province's charitable activities.

18 Transfer to Sisters of the Cross and Passion CIO

During the year ended 31 March 2022, assets of £8,622,195 were transferred to the Sisters of the Cross and Passion CIO, Charity Registration No. 1185348. These consisted of tangible fixed assets at a net book value of £8,508,015 (cost of £10,066,209, less depreciation of £1,558,194) and cash at bank of £114,180.

In addition, a donation of £1,450,000 was made to the Sisters of the Cross and Passion CIO in relation to the proceeds from the sale of a freehold property in London.

No transfers, nor donations to the Sisters of the Cross and Passion CIO were made during the year ended 31 March 2023.

19 Related parties

During the year ended 31 March 2023, the charity received donations amounting to £100,000 (2022 – £nil) from the Sisters of the Cross and Passion CIO to cover legal fees, utility bills and security costs relating to St Gabriel's Hall and the Imani Centre. This property was sold following the year end as disclosed in note 20.

Other than the transactions described above and detailed in notes 8 and 18, there were no related party transactions during the year that require disclosure (2022 – none).

20 Post balance sheet events

On 5 July 2023, the Charity completed the sale of St Gabriel's Hall, a property previously used as an all-female hall of residence for Manchester University and which was leased to the University on a peppercorn rent, and the adjoining Imani Centre. The sale of this property realised proceeds of £11,007,775. £9,750,000 of the money received from the sale has been transferred to the successor charity, Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and has been invested to enable that Charity to continue its work into the future. The residual proceeds have been retained by the charity to assist the work of the Congregational Leadership and provide working capital.

SISTERS OF THE CROSS AND PASSION

England & Wales - Charity number 1038483

Accounts



**Sisters of the Cross and
Passion**

Annual Report and Accounts

31 March 2022

Charity Registration Numbers
1038483 (England and Wales)
SC038416 (Scotland)

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

| | |
|--|---|
| Trustees | Sister Claire Dawson C.P. (appointed 10/8/2022) Sister Margaret Gorman C.P. (Sister Carmel) Sister Anne Hammersley C.P. Sister Margaret O'Regan C.P. (Sister Therese) Sister Margaret Steed C.P. (Sister Savio) Sister Eileen Fucito C.P. (resigned 1 June 2022) |
| Province Leader | Sister Margaret Steed C.P. |
| Province Bursar | Mrs Sakina Lowe |
| Principal address | Cross & Passion Convent 299 Boarshaw Road Middleton Manchester M24 2PF |
| Telephone | 0161 655 3184 |
| Email | pltcpsisters@gmail.com |
| Website | www.crossandpassion.com |
| Charity Registration Number - England and Wales | 1038483 |
| Charity Registration Number - Scotland | SCO38416 |
| Accountants | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Auditor | RSM UK Audit LLP Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE |

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

| | |
|---|--|
| Investment managers | Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU |
| | Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ |
| Principal bankers | The Royal Bank of Scotland plc 1 Dale Street Liverpool L2 2PP |
| | Bank of Ireland Limited 2 College Green Dublin 2 |
| Solicitors England and Wales | Wrigleys Solicitors LLP 19 Cookridge Street Leeds LS12 3AG |
| Solicitors Northern Ireland | Conway, Todd & Co 22 Market Square Antrim BT41 4DT |
| | Edwards & Co 28 Hill Street Belfast BT1 2LA |
| Finance and General Purposes Committee | Elizabeth Wilson, Wrigleys Solicitors LLP Amanda Francis, Buzzacott LLP Andrew Mather, CS2 Chartered Surveyors |
| Insurance Brokers | Steve Burns, Marsh Commercial, UK |
| Energy Broker | Charles Lowe, EnergyFlowe Limited, UK |

Report of the Trustees Year to 31 March 2022

The Trustees present their statutory report, together with the accounts of the Sisters of the Cross and Passion (the 'Charity'), for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 to 33 and comply with the Charity's Trust Deed, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The accounts also comply 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 the Republic of Ireland (FRS 102).

PART ONE

CHAPTER ONE – Who we are

Introduction

The Sisters of the Cross and Passion is an international Roman Catholic Religious Congregation founded in industrial England in 1852. It is divided into a number of individual areas and provinces under the authority of the Congregational Leadership Team (CLT), members of which reside in the UK, Republic of Ireland, the USA and Argentina and their offices are in Larne, Antrim, Northern Ireland. The Team comprises the Congregational Leader and a team of three Sisters.

The Sisters from St Paul's Province live in England and Wales. The accounts accompanying this report are those of the charitable trust (the Charity) on which the assets of St Paul's Province and the Congregational Leadership were held until 31 March 2021. The Charity is governed by a Trust Deed dated 25 March 1994 and is registered with the Charity Commission:

| | | |
|-----------------------------|-------------------|---------|
| Charity Registration Number | England and Wales | 1038483 |
|-----------------------------|-------------------|---------|

| | | |
|-----------------------------|----------|----------|
| Charity Registration Number | Scotland | SC038416 |
|-----------------------------|----------|----------|

Over the years to 31 March 2021, the trustees have been working on a project to de-merge the Province and the Congregational Leadership and simultaneously to incorporate the Province as a Incorporated Charitable Organisation (CIO).

To this end, with effect from midnight on 31 March 2021, in accordance with a legal transfer of undertakings dated 31 March 2021 and a resolution of the trustees, certain activities, assets and liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO): Sisters of the Cross and Passion CIO, Charity Registration Number 1185348 (the 'successor charity'). Other Congregational Leadership assets and liabilities remained in the Charity as at 31 March 2021, together with some Province assets which the trustees had been advised to leave in the Charity – principally because they related to assets in the course of being disposed of or because they related to properties where the legalities of transfer required more time. During the year to 31 March 2022, the transfer of the properties where the legalities required more time has been completed and these assets are now in the ownership of the CIO. The Sisters of the Cross and Passion CIO will be the main vehicle for delivering the Province activities going forward.

Introduction (continued)

The Charity ceased to be CQC-registered on 1 April 2021 (as the CQC registration transferred to the CIO on that date), and therefore ceased CQC registered activities at midnight on 31 March 2021.

Mission and Objectives

The corporate mission of the Sisters of the Cross and Passion is to witness to the reconciling, forgiving and compassionate love of God through openness to the needs of the world and especially those of the poor and marginalised.

The Sisters of the Cross and Passion identify with Christ in his Passion, Death and Resurrection. We aspire to a more just and compassionate world, where the rights and dignity of the whole of creation is upheld and respected.

What follows is an account of the work of the Charity from April 2021 – March 2022. Benefits are identifiable and touch the lives of the people whom the Sisters seek to serve in all their ministries.

The objectives of the Sisters of the Cross and Passion, as stated in the Trust Deed, are the relief of poverty, the provision of relief assistance and comfort to the sick, the provision of education and the advancement of the teachings of the Roman Catholic Church (or other such charitable purposes as are lawfully authorised from time to time by the constitutions of the Congregation) by such means as are suited to the time and place in which the provision is to be made.

To fulfil these objectives the Sisters regularly evaluate their pastoral activities in the light of their Charism, present day needs and requests for help in new ministries and new localities. Policies and procedures are reviewed and updated regularly in accordance with statutory regulations and congregational objectives.

As Sisters of the Cross and Passion we hope that our lives witness to the reconciling, merciful and compassionate love of God. We are covenanted to be bearers of the mercy of God by responding to the needs of the world in our time, as Venerable Elizabeth Prout, our foundress, did in hers.



- 1** *Pastoral and Spiritual Care*
- 2** *Education*
- 3** *Missions*
- 4** *Future Plans*

CHAPTER TWO – Activities, Achievements, Future Plans

Pastoral and spiritual care

The Congregational Leader, helped by her Councillors who together make up the Congregational Leadership Team (CLT), has the overall pastoral responsibility for all of the Sisters in the Congregation and must comply with statutes laid down in Canon Law and the Constitutions of the Sisters of the Cross and Passion (The Covenant of the Passion) as well as the civil/charity laws of the various countries in which the Sisters reside. The Sisters live in the UK, Republic of Ireland, USA, Argentina, Chile, Peru, Botswana, Vietnam and Australia.



One of their major pastoral duties is to communicate with and visit all the Sisters in the Congregation. During the past year Covid-19 restrictions were still in place so it was not possible for the CLT to engage in pastoral visits as international travel restrictions limited travel. However they did use IT technology to facilitate good communication throughout the Congregation. Many meetings took place on Zoom between the team members and the Sisters. It has encouraged unity in the

Congregation as all the Sisters were able to meet by Zoom, many for the first time. Most of our meetings over the past year involved preparation for our Congregational Assembly (General Chapter).

Norm 102 Covenant of the Passion: The General Chapter is the highest legislative body in the Congregation.

The Ordinary General Chapter meets every six years, at which the Congregational Leader and her Councillors are elected and policies which will foster the mission and administration of the Congregation are put in place. For the first time in our history this Chapter took place online with preparation involving many online meetings in 2021/22.



A tree was planted at the CLT office on the opening day of the virtual Assembly.

Education

Whilst the work of the Sisters in the Congregation in earlier years was in education, we now see this legacy carried forward in schools and colleges, which were set up by the Sisters in the various countries in which they are resident. One such institution in England, with which the CLT is still involved, is:

Leeds Trinity University



Leeds Trinity University (LTU) was co-founded by the Sisters of the Cross and Passion and the Catholic Education Service as a teacher training college in 1967. In the fifty five years since its foundation it has transformed itself into a university renowned for teaching excellence and has been

ranked by the Times and Sunday Times as the sixth best university in the country for teaching quality. Leeds Trinity offers undergraduate, postgraduate, foundation and top-up courses, as well as apprenticeship and work-based learning.

In accordance with the Articles of Association, the trusteeship of the University remains with the Diocese of Leeds. While the Sisters are no longer actively involved in the day-to-day life of LTU, the Congregational Leader has a representative on the Board of Governors, who keeps her informed of developments. Her role is to promote the spiritual ethos, which is part of the heritage of the University. The CLT are consulted on the appointment of new trustees to the Board and have the right to nominate up to five people to be independent on the Board.

The updated mission statement of LTU reads:

"Our mission is guided by our Catholic identity and faith foundation...We are committed to the promotion of dignity, respect, social justice and equality in order to deliver positive social and economic impacts."

It is encouraging to hear that the statement does not just remain on paper, but that LTU was the first university in Yorkshire to achieve the *Race Equality Charter (REC) Bronze Award* in November 2020. This was followed by *the Gold Whatsuni Student Choice Award* in 2021 for diversity and inclusion and it was short listed for *Outstanding Contribution to Equality, Diversity and Inclusion* at the *Times Higher Education (THE) Awards* in 2021.

These are some of the values that we, as Sisters of the Cross and Passion, aspire to and are happy to see implemented.

Education (continued)

Formation/Education



FIRST PROFESSION OF SISTERS IN VIETNAM



One of the pastoral responsibilities of the CLT is to coordinate an *international formation/education programme* for young Sisters, who are joining the Congregation. Most of the older, established areas in the Congregation have sufficient funding and personnel to run their own programmes, but newer areas require both financial support and support with personnel. The area where there has been most development in the past year is Vietnam. The numbers of young Sisters in Vietnam who require formation are increasing. Financial support has been given for formation during the year 2021/22.

Other areas which require support are Botswana and Peru, where there are very few Sisters who, in spite of low numbers, are carrying out outreach work amongst the very poor.

Justice/Education



Passionists International

Passionists International is one of a number of groups of Religious men and women who work as NGO representatives at the United Nations. We believe that the presence of Religious in such a complex diplomatic system can give an independent voice that promotes the development of the weakest and most disadvantaged peoples. From its beginning, Passionists International has promoted the defence of vulnerable populations (particularly indigenous ones), the development of policies to protect those social groups more susceptible to poverty, as well as women's rights, especially girls. They have recently added the topics of emergency migration and care of the planet to their remit.

The CLT and the Passionists men's community agreed to provide financial and personnel support to Passionists International at the United Nations for the next two years.

A part-time administrator has been appointed for Passionists International.

Missions

A mission outreach has always been a part of our Charism. Many of our Sisters in the Congregation have had experience of working and living on our missions. The provision of financial support and personnel is the responsibility of the CLT. Any contributions, donations or legacies for the missions are channelled through the CLT. In the past year, two mission areas received financial support for projects.

Missions (continued)

Pachacutec, Lima, Peru

After Cairo in Egypt, Lima, Peru is the second largest city in the world, located in a desert. 66% of Peru's population, some 20 million people, live in the coastal zone where there is a chronic water shortage. Pachacutec, located in the north west of Lima, is one of the poorest areas of the city. It has a population of 180,000 people. Thousands of people were relocated to this area with little or no infrastructure in place. Three of our Sisters live there and the CLT is currently funding a project to build a centre for disabled children.



PACHACUTEC, LIMA, PERU



Botswana

Again a country located in a semi desert area where two Sisters work in outreach projects to help the poor. One such project was the acquisition of a piece of land on which to grow crops in a poor rural area; *Mmamhiko*. We funded the sinking of a bore hole to provide water two years ago and followed with funding for farm implements during the past year. Photos show progress and harvesting.



BORE HOLE.....& HARVEST A YEAR LATER



HARVESTING MAIZE, SHELLING MAIZE & SWEET REED.& CRUSHING BEANS

Other activities

As noted above under the introduction, certain assets of the Province did not transfer across to the CIO as at midnight on 31 March 2021. The assets remaining in this Charity included several properties that at that date were in the process of being disposed of. The sale of one such property, in London, was completed during the year giving rise to a surplus on disposal of £624k. The sale enabled a donation from the Charity to the CIO of £1,450,000 during 2021/22.

Other assets, where it had not been possible to complete the legal paperwork in order to transfer them to the CIO as at 31 March 2021, were transferred during the year leading to a transfer of £8,622,195 during 2021/22.

Future plans

- ◆ To encourage all Sisters in their ministries, encouraging them to live by the *Directives for Ministry* set out in our Congregational Chapter 2014.
- ◆ To continue to live out of our *Organic Participative Model of Leadership* in the Congregation through consultation and discernment.
- ◆ To encourage as many Sisters as possible to use social media as a means of communication so that as a Congregation we may have a greater sense of unity.
- ◆ To be faithful stewards of the work entrusted to us by:
 - ◇ valuing the resources of the Charity;
 - ◇ maintaining, developing, donating or selling property in a responsible manner and in accordance with charity legal guidelines;
 - ◇ using the financial resources of the Charity in a responsible manner. In these matters listening to our advisors;
 - ◇ completing the remaining work of removing the Congregational assets from the Charitable Trust to a separate charity, either to a company limited by guarantee or a CIO;
 - ◇ being alert to any changes in charity law, which will affect the Charity.

Income

Income for the year to 31 March 2022 has been generated through:

- ◆ annual capitation from areas of the Congregation
- ◆ bank deposit interest
- ◆ investments
- ◆ legacies
- ◆ donations including any earnings and pensions of the Congregational Leadership Team covenanted to the Charity
- ◆ the surplus on the disposal of tangible fixed assets
- ◆ income from miscellaneous sources including exchange gains.

Expenditure

The main role of the CLT is the pastoral care of the Sisters and having an overview of the charitable activities of the Congregation. The Congregational Leader is the official representative of the Congregation in the Roman Catholic Church.

Before the advent of Covid this involved the team travelling to all areas of the Congregation. Travel expenses have therefore been greatly reduced during the past two years. However, other expenses have increased, such as investment in IT services, equipment and skills in order to facilitate digital communication throughout the Congregation.

The expenses incurred in preparation for the General Chapter, which was held virtually and began on 30 March 2022, amounts to a large portion of the expenditure over the past year.

Th expenses included payments for a facilitator (both before and during the Chapter), spiritual director, speakers, legal and financial advisors, translators and technical support services before and during the Chapter, and general administration.

Expenditure of the Charity comprises:

- ◆ administration expenditure, which includes renting office space, payment of staff and any travel expenses;
- ◆ expenses involved in the preparation for, organising and running of a digital Congregational Chapter, which took place between 30 March – 10 April 2022;
- ◆ Sisters' healthcare and living expenses in developing areas such as Peru, Botswana and Vietnam;
- ◆ donations to the Sisters of the Cross and Passion CIO from the proceeds of assets in the course of being sold as at 31 March 2021 and hence left within the Charity as at that date;

Report of the Trustees Year to 31 March 2022

Expenditure (continued)

- ◆ donations and financial support to the Congregation's mission projects;
- ◆ formation and education support for our young Sisters;
- ◆ those costs associated with the management of the Charity's investment portfolios and the compliance with regulatory and statutory requirements;
- ◆ the CLT and the Passionists men's community agreed to provide financial and personnel support to Passionists International at the United Nations for the next two years.

Transfers

During the course of the year certain property assets that were not transferred to the CIO as at midnight on 31 March 2021 due to delays with the legal paperwork were subsequently transferred. The value of these transfers amounted to £8,622,195.

Tangible fixed assets

Tangible fixed assets now comprise of buildings still awaiting disposal. The members of the CLT in the UK live in houses owned by the Province, which were transferred to the Sisters of the Cross and Passion CIO on 31 March 2021. The CLT owns office equipment in their office in Drumalis Retreat Centre.

Results for the year

The statement of financial activities for the Charity shows net expenditure before investment gains and prior to the transfer to the CIO of £1,071,874 (2021 - £3,115,078) with total income amounting to £1,052,773 (2021 - £3,016,648) and expenditure prior to the transfer amounting to £2,124,647 (2021 - £6,131,726). £8,622,195 (2021 - £35,217,053) was transferred to the CIO, giving total expenditure for the year of £10,746,842 and a net decrease in funds of £9,414,331. The comparative figures include income and expenditure relating to the activities of the Charity which transferred to the CIO with effect from midnight on 31 March 2021 and figures relating to the Charity's former subsidiary which became a subsidiary of the CIO as at midnight on 31 March 2021.

Total income for 2022 includes £179,508 (2021 - £196,359) of donations, legacies and similar income. Other major categories of income include investment income and interest receivable, and surplus on disposal of tangible fixed assets.

Total expenditure for 2022 includes the personal and living costs of the members of the CLT and the costs of administering the Charity and a donation of £1,450,000 to Sisters of the Cross and Passion CIO in relation to the proceeds from the sale of a property.

Deducting expenditure from income for the year gives net expenditure after investment gains for the year and prior to transfer to the CIO of £792,136 (2021 - net income after investment gains £1,687,749).

Investment performance

The purpose of holding listed investments is to earn income to be used to facilitate the work of the CLT and further the charitable work of the Congregation now and in the future.

The Congregation has discretionary investment agreements with Sarasin & Partners LLP and Rathbone Investment Management Limited. Representatives of the trustees meet with the fund managers and financial advisers during the year to ensure that the funds are managed in accordance with the investment policy and the religious and ethical principles of the Congregation. The objective of the fund managers is to achieve a reasonable return of both income and capital growth with no more than a conservative to moderate level of risk.

The performance and structure of the principal portfolios continues to be closely monitored.

An income yield of 0.8% and a capital yield of 1.5% was achieved. At the end of the year the Charity's portfolio of listed investments comprised 52.34% unit funds, 14.54% UK equities, 5.01% UK fixed interest stocks, 22.14% overseas unit trusts and 5.97% alternative investments.

The value of the listed investments increased by £326,829 from a market value of £6,637,659 at the end of March 2021 to a value of £6,964,488 at the end of March 2022, a rise of 4.9%. Net investment additions during the year amounted to £103,776 (2021 - £1,823,514 net disposals).

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 Charity is dependent in part on investment income generated by the listed investments held to enable it to meet its ongoing expenditure. The trustees estimate that this income needs to be approximately £160,000 per annum and hence based on an income yield of 2.5%, the value of the Charity's investment portfolio needs to be approximately £6.5 million. Consequently, the trustees believe the Charity's free reserves should equal this figure plus an amount equal to annual unrestricted expenditure. The trustees consider that, given the nature of the Charity's work and its commitments, it is prudent to retain this level of free reserves.

Financial position

The balance sheet shows free reserves of £9,813,657 at 31 March 2022 (2021 - £19,227,988).

The tangible fixed assets fund totals £56,977 (2021 - £9,556,453) and represents tangible fixed assets.

Funds which are available to support the work of the Charity in the future are those shown on the balance sheet as general funds. These amount to £9,756,680 at 31 March 2022 (2021 - £7,751,589). Whilst this level of free reserves is slightly above that demanded by the above policy, given the current macroeconomic and geopolitical climate in the UK and elsewhere in the world, the trustees deem the free reserves to be adequate but not excessive.

CHAPTER FOUR – Trustees' duties and Compliance with Charity Requirements

Property

Province property not transferred to the CIO.

St Gabriel's Hall

St Gabriel's Hall was an all-female hall of residence for Manchester University which was leased to the University on a peppercorn rent for the past thirty five years. This lease expired in 2018, which was also the centenary year of its foundation. An extension to the lease was agreed with the University until September 2019, when the premises were vacated. The trustees, with the help of their advisors, are now in the process of selling this property. Money received from the sale will be invested to enable the Charity to continue its work into the future. In the meantime the cost of insurance and security is covered by Province money held in the Charity.



St Gabriel's Hall

House No 7 Stadium Street, London

The sale of one property in London (7 Stadium Street) was completed on Monday 8 November 2021. Monies received from this sale, after deduction of costs, amounted to £1,608,498 and £1,450,000 was donated to the CIO.

Policies, Reports and Plans

We reviewed our: *Risk Management Policy*
 Disaster Plan
 Safeguarding Policy
 GDPR Policy

We compiled our: *Charity Annual Report and Accounts (UK)*

Safeguarding

The CLT are responsible for ensuring that safeguarding policies are in place throughout the Congregation.

Archives

One Sister is engaged full-time in preserving the archives of the Congregation. She ensures that all collections are sorted, carefully stored and remain confidential. Finding a permanent home for the storage of our archives still remains one of our goals. 2020 was a year of cancelled events relating to celebrating the bicentenary of the birth of our foundress, Elizabeth Prout. However in January 2021 we received the good news from Rome that she has been declared Venerable, a public acknowledgment of her sanctity. Our archivist has been busy with publicity about this good news.

General Data Protection Regulation (GDPR)

We have drawn up an umbrella Data Protection Policy for the Charity, which covers the processing and control of data from four main areas: employment data; data relating to Sisters in care; data relating to the users of our retreat centres and data kept on individual Sisters in the Congregation's office. This policy is reviewed on an annual basis.

Investment Policy

The Charity's investments are managed by Sarasin & Partners LLP, Rathbone Investment Management Ltd and Invesco USA.

There are no restrictions on the Charity's power to invest.

The Investment Strategy is set by the trustees and takes into account income requirements, the risk profile and investment manager's views of the market prospects in the medium term.

The policy is to maximise total return through diversified portfolios whilst providing a level of income advised by the trustees from time to time.

There is also an ethical policy precluding any investment in any company which, after reasonable enquiry, clearly has significant profits from any activity whose objectives are contrary to ours and considered to be unjust or damaging to health and wellbeing.

The performance of the portfolios and the Charity's investment strategy are reviewed by representatives of the trustees, who meet with the investment managers twice yearly.

Insurance

A review of the major risks to which the Charity is exposed and of systems established to mitigate those risks is undertaken annually by the trustees.

Continued Professional Development

For our own professional development and to keep ourselves updated with changes we have attended numerous online courses and Zoom meetings.

During 2021 the Congregational Leader or her representative attended:

- ◆ The UK CIO and Charity meetings
- ◆ All Board of Management meetings, St Gemma's Hospice
- ◆ Meetings with investment managers/financial advisors
- ◆ Misesan Cara (Irish Missionary) Development Organisation
- ◆ Religious leaders meetings (AMRI, COREW, LCWR, UISG)
- ◆ Leadership Courses (Mastery)
- ◆ CLT meetings
- ◆ Meetings with the whole Congregation to prepare for the General Chapter.

CHAPTER FIVE: Governance, Trustees' Responsibilities, Risk Management

Governance

In terms of Canon Law, at international level the Congregational Leadership Team (CLT) is the major spiritual and administrative body of the Congregation of the Sisters of the Cross and Passion. The administration of the CLT continues to be centred in the United Kingdom.

In keeping with the charitable work envisaged by the Trust Deed, the CLT often make donations to other charitable organisations. The finances of the CLT also incorporate the administrative and financial costs and the expenses incurred by the members of the team.

In terms of civil law, the Charity is governed by its own Trust Deed dated 25 March 1994 and is a registered Charity under the Charities Act 2011; Charity registration number 1038483 (England and Wales). It is also a registered Charity in Scotland, Charity registration number SCO 38416 (Scotland). In recent year, the trustees have been working on a project to de-merge the Province and the Congregational Leadership and simultaneously to incorporate the Province. This took a major step forward on 31 March 2021 when, with the exception of a small number of properties in the process of being disposed of and others where the legalities of the transfer took longer than anticipated, the Province assets, activities, contracts, employees and liabilities were transferred to Sisters of the Cross and Passion CIO (registered charity number 1185348). The properties where the legal paperwork was delayed were transferred to the CIO during 2022.

The trustees of the Charity are the Congregational Leader, the Provincial Leader and Provincial Councillors, plus one trustee appointed by the Congregational Leader. As all trustees are members of the Congregation they have a detailed knowledge of the work of the Charity and of its structure. The trustees, one of whom is the canonical bursar, are members of the Congregation. They receive no remuneration or reimbursement of expenses in connection with their duties as trustees. On being appointed, new trustees spend time with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

The names of the trustees who served during the year are set out as part of the reference and administration details on page 1 of this annual report and accounts.

Our Key Personal Staff/Manager's pay awards are reviewed and agreed by the Trustees. These are benchmarked against current salaries for similar roles in the Sector.

Our remuneration principles ensure that the Organisation offers a suitable package to attract, retain and motivate people with the skills and attributes needed to deliver our goals, while recognising the unique nature of our organisation and the requirements of its stakeholders.

Risk Management

The key risks for the Charity, as identified by the trustees, are described below, together with the principal ways they are mitigated.

Risk Management (continued)

The value of investments: The Charity's main assets are in its investments. The value of listed investments is dependent on movements in UK and world stock markets. At the present time the markets are volatile. The investments are managed by reputable investment managers, who adhere to a policy agreed by the trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs, both now and into the future.

Reliance on key staff and the need for succession planning: Advice is taken on investment management, accountancy, actuarial, legal and business matters from lay professionals. These advisors meet three times a year, with sub-committees meeting when necessary. They monitor risks and the risk management policy and refer matters to the CLT for consideration.

The change of trustees: When a new leadership team is elected into office this involves a change of trustees. On being appointed, new trustees spend time with those trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

During their pastoral visits, the trustees continue to monitor the major risks to which the Charity may be exposed and systems are investigated and established to mitigate these risks.

A review of major risks to which the Charity is exposed and the systems established to mitigate those risks is undertaken annually by the trustees.

Since the lockdown in March 2020, most meetings with Sisters and staff have been conducted by Zoom. The trustees attended various online courses during the year to keep abreast of any developments.

Trustees' Responsibility Statement

The Trustees are responsible for preparing the report of the Trustees and the 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, and in Scotland and the Republic of Ireland, 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 the Group and of the income and expenditure of the Group for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS102);

Report of the Trustees Year to 31 March 2022

- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material 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.

Trustees' Responsibility Statement (continued)

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, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Irish Charities Act 2009 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. Throughout this report, in particular in Chapter Two, the Trustees have demonstrated how the Charity has been faithful to this. The activities of the Charity can be divided into five main areas, namely: education; health; pastoral and spiritual care; social care and projects we support financially.

Summary and Acknowledgements

This report is a summary of the work of the Congregation. The accounts accompanying this report show the movement of funds for the year ended 31 March 2022.

We, the trustees, acknowledge with gratitude the professionalism and commitment of all our staff, volunteers and the individual members of the Congregation. Their dedication, support and positive approach are very encouraging for us.

We wish also to record our thanks to the professional bodies on whose advice and expertise we rely.

Approved by the trustees and signed on their behalf by:

M. J. Steed

Sister Margaret Steed C.P.

Trustee

Approved by the trustees on: 20 December 2022



Independent auditor's report to the trustees of Sisters of the Cross and Passion

Opinion

We have audited the financial statements of Sisters of the Cross and Passion (the 'charity') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Charity statement of financial activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of the charity's incoming resources and application of resources 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 and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 151 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 financial statements 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper and sufficient accounting records have not been kept by the charity; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on pages 16 and 17 the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charity operate in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

Auditor's responsibilities for the audit of the financial statements (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are Charities SORP (FRS 102), Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



RSM UK Audit LLP
Statutory Auditor
Bluebell House
Brian Johnson Way
Preston
PR2 5PE

Date: 21/12/22

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

Consolidated statement of financial activities Year to 31 March 2022

| | Notes | Charity | | | Group | | |
|---|-------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| | | Un-restricted funds £ | Restricted funds £ | Total funds 2022 £ | Un-restricted funds £ | Restricted funds £ | Total funds 2021 £ |
| Income from: | | | | | | | |
| Donations and legacies | 1 | 179,508 | — | 179,508 | 1,695,592 | 3,626,362 | 5,321,954 |
| Investment income and interest receivable | 2 | 159,872 | — | 159,872 | 731,718 | 174,166 | 905,884 |
| Charitable activities | | | | | | | |
| · Provision of hospice care | 3 | — | — | — | — | 5,839,403 | 5,839,403 |
| · Retreat and similar income | | — | — | — | 44,547 | — | 44,547 |
| · Grants receivable | | — | — | — | 385,000 | — | 385,000 |
| Other trading activities | | | | | | | |
| · Income from charity shops | | — | — | — | — | 1,100,551 | 1,100,551 |
| · Room hire and rental income | | — | — | — | 2,066 | — | 2,066 |
| · Fundraising events and lotteries | | — | — | — | — | 695,819 | 695,819 |
| Other sources | | | | | | | |
| · Surplus on disposal of tangible fixed assets | | 624,498 | — | 624,498 | 9,198 | — | 9,198 |
| · Foreign exchange gains | | 58,848 | — | 58,848 | — | — | — |
| · Miscellaneous income | | 30,047 | — | 30,047 | 148,528 | 49,081 | 197,609 |
| Total income | | 1,052,773 | — | 1,052,773 | 3,016,649 | 11,485,382 | 14,502,031 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| · Cost of raising donations | | — | — | — | — | 2,123,859 | 2,123,859 |
| · Fundraising activities including charity shops | | — | — | — | — | 1,231,466 | 1,231,466 |
| · Investment management costs | | 23,654 | — | 23,654 | 28,220 | 27,282 | 55,502 |
| Charitable activities | | | | | | | |
| · Provision of hospice care | 4 | — | — | — | — | 8,207,089 | 8,207,089 |
| · Donations and support of overseas missions | 5 | 81,347 | — | 81,347 | 117,510 | — | 117,510 |
| · Support of members of the Congregation and their ministry | 6 | 569,646 | — | 569,646 | 5,985,996 | — | 5,985,996 |
| · Donations to Sisters of the Cross and Passion CIO | 24 | 1,450,000 | — | 1,450,000 | — | — | — |
| | | 2,124,647 | — | 2,124,647 | 6,131,726 | 11,589,696 | 17,721,422 |
| Transfer to Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and its subsidiary | 24 | 8,622,195 | — | 8,622,195 | 35,217,050 | 12,886,782 | 48,103,832 |
| Total expenditure | | 10,746,842 | — | 10,746,842 | 41,348,776 | 24,476,478 | 65,825,254 |
| Net expenditure before net investment gains | | (9,694,069) | — | (9,694,069) | (38,332,127) | (12,991,096) | (51,323,223) |
| Net investment gains | | 279,738 | — | 279,738 | 4,802,827 | 1,246,820 | 6,049,647 |
| Net expenditure and net movement in funds | 8 | (9,414,331) | — | (9,414,331) | (33,529,300) | (11,744,276) | (45,273,576) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2021 | | 19,227,988 | — | 19,227,988 | 52,757,288 | 11,744,276 | 64,501,564 |
| Fund balances at 31 March 2022 | | 9,813,657 | — | 9,813,657 | 19,227,988 | — | 19,227,988 |

All recognised gains and losses are included in the above statement of financial activities. The statement of financial activities for 2021 includes St Gemma's Hospice, a subsidiary of the Charity until 31 March 2021.

With effect from midnight on 31 March 2021, certain activities, transactions, assets and liabilities of the charity were transferred as a going concern to Sisters of the Cross and Passion CIO (the 'successor charity'), a Charitable Incorporated Organisation (CIO), Charity Registration Number 1185348 (see note 24).

Charity statement of financial activities Year to 31 March 2022

| | Notes | Charity | | | Charity | | |
|--|-------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| | | Un-restricted funds £ | Restricted funds £ | Total funds 2022 £ | Un-restricted funds £ | Restricted funds £ | Total funds 2021 £ |
| Income from: | | | | | | | |
| Donations and legacies | 1 | 179,508 | — | 179,508 | 1,695,592 | — | 1,695,592 |
| Investment income and interest receivable | 2 | 159,872 | — | 159,872 | 731,718 | — | 731,718 |
| Charitable activities | | | | | | | |
| · Retreat and similar income | | — | — | — | 44,547 | — | 44,547 |
| · Grants receivable | | — | — | — | 385,000 | — | 385,000 |
| Other trading activities | | | | | | | |
| · Room hire and rental income | | — | — | — | 2,066 | — | 2,066 |
| Other sources | | | | | | | |
| · Surplus on disposal of tangible fixed assets | | 624,498 | — | 624,498 | 9,198 | — | 9,198 |
| · Foreign exchange gains | | 58,848 | — | 58,848 | — | — | — |
| · Miscellaneous income | | 30,047 | — | 30,047 | 148,527 | — | 148,527 |
| Total income | | 1,052,773 | — | 1,052,773 | 3,016,648 | — | 3,016,648 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| · Investment management costs | | 23,654 | — | 23,654 | 28,220 | — | 28,220 |
| Charitable activities | | | | | | | |
| · Donations and support of overseas missions | 5 | 81,347 | — | 81,347 | 117,510 | — | 117,510 |
| · Support of members of the Congregation and their ministry | 6 | 569,646 | — | 569,646 | 5,985,996 | — | 5,985,996 |
| · Donations to Sisters of the Cross and Passion CIO | 24 | 1,450,000 | — | 1,450,000 | — | — | — |
| | | 2,124,647 | — | 2,124,647 | 6,131,726 | — | 6,131,726 |
| Transfer to Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) | 24 | 8,622,195 | — | 8,622,195 | 35,217,049 | 4 | 35,217,053 |
| Total expenditure | | 10,746,842 | — | 10,746,842 | 41,348,775 | 4 | 41,348,779 |
| Net expenditure before net investment gains | | (9,694,069) | — | (9,694,069) | (38,332,127) | (4) | (38,332,131) |
| Net investment gains | | 279,738 | — | 279,738 | 4,802,827 | — | 4,802,827 |
| Net expenditure and net movement in funds | 8 | (9,414,331) | — | (9,414,331) | (33,529,300) | (4) | (33,529,304) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2021 | | 19,227,988 | — | 19,227,988 | 52,757,288 | 4 | 52,757,292 |
| Fund balances at 31 March 2022 | | 9,813,657 | — | 9,813,657 | 19,227,988 | — | 19,277,988 |

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

With effect from midnight on 31 March 2021, certain activities, transactions, assets and liabilities of the charity were transferred as a going concern to Sisters of the Cross and Passion CIO (the 'successor charity'), a Charitable Incorporated Organisation (CIO), Charity Registration Number 1185348 (see note 24).

Balance sheets 31 March 2022

| | Notes | Charity | | Group |
|--|-------|------------------|-------------------|-------------------|
| | | 2022 £ | 2021 £ | 2021 £ |
| Fixed assets: | | | | |
| Tangible assets | 12 | 56,977 | 9,566,453 | 9,566,453 |
| Assets held for sale | 13 | 1,909,946 | — | — |
| Investments | | | | |
| . Listed investments | 13 | 7,037,205 | 6,778,911 | 6,778,911 |
| . Programme related investments | 13 | — | 1,909,946 | 1,909,946 |
| Total fixed assets | | 9,004,128 | 18,255,310 | 18,255,310 |
| Current assets: | | | | |
| Debtors | 14 | 1,962 | 339,937 | 339,937 |
| Cash at bank and in hand | | 829,692 | 647,085 | 647,085 |
| Total current assets | | 831,654 | 987,022 | 987,022 |
| Liabilities: | | | | |
| Creditors: amounts falling due within one year | 15 | (22,125) | (14,344) | (14,344) |
| Net current assets | | 809,529 | 972,678 | 972,678 |
| Total net assets | | 9,813,657 | 19,227,988 | 19,227,988 |
| The funds of the Charity: | | | | |
| Unrestricted funds | | | | |
| . Designated funds | 16 | — | 1,909,946 | 1,909,946 |
| . Tangible fixed assets fund | 17 | 56,977 | 9,566,453 | 9,566,453 |
| . General fund | | 9,756,680 | 7,751,589 | 7,751,589 |
| | | 9,813,657 | 19,227,988 | 19,227,988 |

Approved by the trustees
and signed on their behalf by:

M. J. Steed

Sister Margaret Steed C.P.
Trustee

Approved on: *20th Dec. 2022.*

Statement of cash flows Year to 31 March 2022

| | Notes | Charity 2022 £ | Group 2021 £ |
|---|-------|----------------------|--------------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | A | (1,466,147) | (2,395,691) |
| Cash flows from investing activities: | | | |
| Investment income and interest received | | 159,872 | 905,884 |
| Proceeds from the disposal of tangible fixed assets | | 1,608,498 | 6,000 |
| Purchase of tangible fixed assets | | — | (259,628) |
| Proceeds from the disposal of investments | | 527,945 | 4,252,495 |
| Purchase of investments | | (569,260) | (1,685,233) |
| Net cash provided by investing activities | | 1,727,055 | 3,219,518 |
| Change in cash and cash equivalents in the year | | 260,908 | 823,827 |
| Cash and cash equivalents transferred to Sisters of the Cross and Passion CIO (Charity Registration 1185348) | | (114,180) | (5,622,842) |
| Cash and cash equivalents at 1 April 2021 | B | 788,335 | 5,454,714 |
| Change in cash and cash equivalents due to exchange rate movements | | (32,654) | 132,636 |
| Cash and cash equivalents at 31 March 2022 | B | 902,409 | 788,335 |

Notes to the statement of cash flows for the year to 31 March 2022.

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

| | 2022 £ | 2021 £ |
|---|--------------------|--------------|
| Net movement in funds (as per the statement of financial activities) | (9,414,331) | (45,273,576) |
| Adjustments for: | | |
| Depreciation charge | 44,341 | 1,196,123 |
| (Gains) on investments | (279,738) | (6,049,647) |
| Investment income and interest receivable | (159,872) | (905,884) |
| Net (surplus)/deficit on disposal of tangible fixed assets | (624,498) | 119,247 |
| (Increase) in stocks | — | (865) |
| Decrease in debtors | 337,975 | 345,049 |
| Increase in creditors | 7,781 | 70,030 |
| Transfer to Sisters of the Cross and Passion CIO | 8,622,195 | 48,103,832 |
| Net cash used in operating activities | (1,466,147) | (2,395,691) |

B Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|--|----------------|-----------|
| Cash at bank and in hand | 829,692 | 647,085 |
| Cash held by investment managers | 72,717 | 141,250 |
| Total cash and cash equivalents | 902,409 | 788,335 |

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.

Principal accounting policies 31 March 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below. The principal accounting policies relate to both the current and comparative figures.

Basis of preparation

These accounts have been prepared for the year to 31 March 2022 with comparative information given in respect to the year to 31 March 2021 for the Charity and the Group.

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 the principles set out in 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), 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.

Consolidated accounts

The accounts for the year ended 31 March 2021 consolidate, on a line by line basis, the results of the Charity and its charitable subsidiary, St Gemma's Hospice, and the hospice's subsidiary, St Gemma's Hospice Services Limited. St Gemma's Hospice and its subsidiary, St Gemma's Hospice Services Limited, became a subsidiary of Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) with effect from midnight on 31 March 2021. Therefore, the Charity's accounts for the year to 31 March 2022 are not consolidated.

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:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ the valuation of investments;
- ◆ allocation of support costs across charitable activities; and
- ◆ estimating the value of legacies to be recognised in accordance with FRS 102.

Critical accounting estimates and areas of judgement

As set out in these accounting policies under "assessment of going concern", the trustees have considered the effect on the Charity of the aftermath of the Covid-19 pandemic and also the current macroeconomic and geopolitical climate. They have concluded that although there may be some negative consequences, it is appropriate for the Charity to continue to prepare its accounts on the going concern basis.

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. They have included in their assessment the fact that with effect from midnight on 31 March 2021 certain activities, assets and liabilities were transferred on a going concern basis to Sisters of the Cross and Passion CIO, Charity Registration Number 1185348 (the 'successor charity'). The transfer was in accordance with a legal transfer of undertakings dated 31 March 2021.

Certain of the previous activities of the Charity are now carried out by Sisters of the Cross and Passion CIO and the relevant assets and liabilities were transferred in 2021 and 2022 on a going concern basis. However, the Charity will continue to carry out the remaining activities and has retained certain assets and liabilities. Hence, the trustees of the Charity have concluded that it is appropriate for the accounts to be prepared on a going concern basis.

The trustees acknowledge and recognise the effect of the aftermath of the Covid-19 pandemic on the Charity and also the impact of the macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as greater volatility in the value of the Charity's listed investment portfolio and related income. However, the trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next 12 months, the most significant areas that affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, income from the provision of hospice care, retreat income, grants receivable, income from trading activities (including the operation of charity shops and income from fundraising events and lotteries) and miscellaneous income.

Income recognition (continued)

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the Charity (or Group) 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 (or Group) 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 (or Group) and it is probable that those conditions will be fulfilled in the reporting period.

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

Gifts in kind and donated services are included at the lower of their value to the Charity (or Group) and their estimated market value.

Legacies are included in the statement of financial activities when the Charity (or Group) 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 (or Group).

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

Contracts and service agreements in respect to the provision of hospice care are recognised to the extent that it is probable that the economic benefits will flow to the Charity (or Group) and the revenue can be reliably measured. It is measured at fair value of the consideration received or receivable, excluding any relevant value added tax.

Income recognition (continued)

Income from the provision of retreats is recognised to the extent that it is probable that the economic benefits will flow to the Charity (or Group) and the revenue can be reliably measured. It is measured at fair value of the consideration received or receivable, excluding any relevant value added tax.

Grants from government, NHS bodies, Clinical Commissioning Groups and from trusts and foundations have been included as income from charitable activities i.e. the provision of healthcare and related services where they amount to a contract for services but as donations where the money is given in response to an appeal or grant application or with greater freedom of use, e.g. for core purposes. Deferred income includes amounts received in respect of grants received for work to be carried out in the next financial year.

Funding from the Coronavirus Job Retention Scheme and other Covid-19 related grants is credited to the statement of financial activities when the Charity (or Group) becomes entitled to the monies and when the amount receivable has been quantified.

Income received by way of fundraising events, lotteries and other trading receipts are credited in the accounts when the Charity (or Group) is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT.

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity (or Group) 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. The classification between activities is as follows:

- a. Expenditure on raising funds comprises the salaries, direct costs and overheads incurred in soliciting donations, the costs associated with operating charity shops and the fees paid to investment managers in connection with the management of the Charity's (or Group's) listed investments, net of rebates received. Rebates arise when the fees deducted automatically through charges for common investment funds and related transactions exceed the fees agreed between the Charity (or Group) and its investment managers.
- b. Expenditure on charitable activities comprises expenditure on the Charity's (or Group's) primary charitable purposes as described in the trustees' report and includes:

Expenditure recognition (continued)

- ◆ Expenditure incurred in the provision of hospice services including the costs of providing clinical, emotional and spiritual care to physically ill people of all races and creeds at St Gemma's Hospice.
- ◆ Expenditure on provision of retreats to members of the public.
- ◆ Charitable donations which relate, in the main, to the support of the Charity's missionary work overseas and the support of the Roman Catholic charitable organisations.
- ◆ Expenditure on the support of the work of the sisters. Such expenditure enables the members to carry out the work of the Charity in the areas of the advancement of the Roman Catholic faith and the relief of poverty.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of indirect costs and governance costs

Indirect costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity (or Group) 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.

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

Indirect costs and governance costs are able to be allocated to the specific charitable activities to which they relate.

Tangible fixed assets

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

- ◆ Freehold land and buildings
Freehold land and buildings owned at 1 April 2016 are included in the accounts at their valuation as at that date. This valuation has been deemed cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions as of 1 April 2016 or later accounted for at cost. In prior years freehold land and buildings have been included in the accounts at a valuation based on existing use or depreciated replacement cost, depending on the nature of the property. Valuations were updated on a "rolling basis" with each property's value being updated at least every five years.

Depreciation is provided at 2% per annum on a straight line basis to write the buildings off over their estimated useful life to the Charity (or Group).

- ◆ Improvements to leasehold properties
Improvements to leasehold properties are capitalised and depreciated at 5% per annum on a straight line basis.

Tangible fixed assets (continued)

- ◆ Plant, furniture and equipment
Expenditure on the purchase and replacement of items of plant, furniture and equipment, including computer equipment, is depreciated over a four to six year period on a reducing balance basis.

- ◆ Motor vehicles
Motor vehicles are capitalised and depreciated over a four to five year period on a reducing balance basis, in order to write off each vehicle over its estimated useful life.

Fixed asset investments

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

The Charity (or Group) does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Charity (or Group) 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is 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 comprise the following:

- Freehold properties occupied at a peppercorn or nominal rent and used by other charitable and not-for-profit organisations for purposes consistent with the Charity's (or Group's) objectives. They are included at a value equivalent to their depreciated cost immediately prior to their reclassification from tangible fixed assets to programme related investments as at 31 December 2013. Their value is considered each year and any impairment is written off and treated as charitable expenditure in the statement of financial activities.

- Units in an investment vehicle promoting global justice by challenging people, churches and others to share their resources through socially responsible investments and by empowering disadvantaged people by providing them with credit. These are included on the balance sheet at cost with any diminution in value debited to the statement of financial activities.

Non-current assets awaiting disposal

Non-current assets awaiting disposal comprise freehold properties that are in the process of being disposed of but where completion of the disposal is not expected within twelve months of the balance sheet date. The assets, classified as programme related investments prior to the decision to dispose of them, are included in the accounts at their net book value prior to reclassification. Non-current assets awaiting disposal are not depreciated.

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.

Creditors

Creditors 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 are recognised at the amount the Charity (or Group) 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 (or Group) and which may be applied at the discretion of the trustees.

The tangible fixed assets fund represents the net book value of the tangible fixed assets excluding those used by St Gemma's Hospice.

The designated funds are monies set aside out of general funds and designated for specific purposes, although the trustees may ultimately use such funds for other purposes.

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

Foreign currencies

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

Pension costs

Charity:

The Charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

St Gemma's Hospice operates two pension schemes:

- ◆ The National Health Service Superannuation Scheme, a defined benefit scheme which is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service agencies. Contributions to this scheme are paid in respect of current service, there is no liability to the hospice in respect of past service and the hospice has applied the multi-employer exemption under FRS 102 to account for the scheme as a defined contribution scheme.
- ◆ A Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life which is available to all employees.

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative and other services provided by the members of the Congregation.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

1 Donations and legacies

| | Charity | | | Group | | |
|---|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ |
| Salaries and pensions of individual religious received under Gift Aid or deed of covenant | — | — | — | 1,520,750 | — | 1,520,750 |
| Legacies | 36,995 | — | 36,995 | — | 1,253,818 | 1,253,818 |
| Donations | 124,993 | — | 124,993 | 163,369 | 1,220,396 | 1,383,765 |
| Grants | — | — | — | — | 1,152,148 | 1,152,148 |
| Other voluntary income | 17,520 | — | 17,520 | 11,473 | — | 11,473 |
| Total funds | 179,508 | — | 179,508 | 1,695,592 | 3,626,362 | 5,321,954 |

All unrestricted funds for 2022 and 2021 relate to the Charity only. The Charity received no restricted donations and legacies in either year.

In 2021, grants included government grants of £270,781 relating to the Covid-19 retail grant scheme and Coronavirus Job Retention Scheme grants of £477,240. No such grants were receivable in the year to 31 March 2022.

2 Investment income and interest receivable

| | Charity | | | Group | | |
|--|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ |
| Income from listed investments | 159,859 | — | 159,859 | 729,891 | 161,915 | 891,806 |
| Interest receivable | | | | | | |
| · Bank interest | — | — | — | 1,191 | 12,251 | 13,442 |
| · Interest on cash held by investment managers | 13 | — | 13 | 636 | — | 636 |
| | 13 | — | 13 | 1,827 | 12,251 | 14,078 |
| Total funds | 159,872 | — | 159,872 | 731,718 | 174,166 | 905,884 |

All unrestricted funds for 2022 and 2021 relate to the Charity only. The Charity received no restricted investment income and interest receivable in either year.

3 Income from the provision of hospice care

| | Charity | | | Group | | |
|-------------------------------------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ |
| Clinical Commissioning Group income | — | — | — | — | 3,692,231 | 3,692,231 |
| NHS England – COVID 19 | — | — | — | — | 2,014,904 | 2,014,904 |
| Education and research | — | — | — | — | 92,369 | 92,369 |
| Bistro | — | — | — | — | 32,077 | 32,077 |
| Other income | — | — | — | — | 7,822 | 7,822 |
| Total funds | — | — | — | — | 5,839,403 | 5,839,403 |

The Charity received no income from the provision of hospice care in 2022.

4 Expenditure on the provision of hospice care

| | Charity | | | Group | | |
|------------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | Unrestricted funds | Restricted funds | Total funds 2022 | Unrestricted funds | Restricted funds | Total funds 2021 |
| | £ | £ | £ | £ | £ | £ |
| In-patient care | — | — | — | — | 5,639,547 | 5,639,547 |
| Community care | — | — | — | — | 1,286,881 | 1,286,881 |
| Day hospice | — | — | — | — | 564,859 | 564,859 |
| Bereavement support | — | — | — | — | 196,473 | 196,473 |
| Education and research | — | — | — | — | 519,329 | 519,329 |
| Total funds | — | — | — | — | 8,207,089 | 8,207,089 |

The Charity had no expenditure on the provision of hospice care in 2022.

5 Donations and support of overseas missions

| | Charity | | | Group and Charity | | |
|--|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | Unrestricted funds | Restricted funds | Total funds 2022 | Unrestricted funds | Restricted funds | Total funds 2021 |
| | £ | £ | £ | £ | £ | £ |
| Total funds: Grants to the Congregation's overseas missions | 81,347 | — | 81,347 | 117,510 | — | 117,510 |

6 Support of members of the Congregation and their ministry

| | Charity | | | Group and Charity | | |
|---|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | Unrestricted funds | Restricted funds | Total funds 2022 | Unrestricted funds | Restricted funds | Total funds 2021 |
| | £ | £ | £ | £ | £ | £ |
| Sisters' living and personal expenses | 68,470 | — | 68,470 | 956,433 | — | 956,433 |
| Premises | 169,502 | — | 169,502 | 3,274,163 | — | 3,274,163 |
| Education, training and spiritual renewal | 68,608 | — | 68,608 | 255,907 | — | 255,907 |
| Administrative and similar costs | 237,326 | — | 237,326 | 1,103,239 | — | 1,103,239 |
| Other costs | 2,568 | — | 2,568 | 161,916 | — | 161,916 |
| Foreign exchange (gains)/losses | — | — | — | 166,011 | — | 166,011 |
| Governance costs (note 7) | 23,172 | — | 23,172 | 68,327 | — | 68,327 |
| Total funds | 569,646 | — | 569,646 | 5,985,996 | — | 5,985,996 |

7 Governance costs

| | Charity | | | Group | | |
|------------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | Unrestricted funds | Restricted funds | Total funds 2022 | Unrestricted funds | Restricted funds | Total funds 2021 |
| | £ | £ | £ | £ | £ | £ |
| Accountancy | 13,810 | — | 13,810 | 41,661 | — | 41,661 |
| Auditor's remuneration | | | | | | |
| · Statutory | 8,000 | — | 8,000 | 15,375 | 20,300 | 35,675 |
| · Non-statutory | — | — | — | — | 3,330 | 3,330 |
| Other St Gemma's costs | — | — | — | — | 51,526 | 51,526 |
| Bank fees and charges | 1,362 | — | 1,362 | 11,291 | — | 11,291 |
| Total funds | 23,172 | — | 23,172 | 68,327 | 75,156 | 143,483 |

7 Governance costs (continued)

The above governance costs have been allocated to the following activities:

| | Charity | | | Group | | |
|--|-------------------------|-----------------------|--------------------------|-------------------|-----------------|--------------------|
| | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ | Unrestricted £ | Restricted £ | Total 2021 £ |
| Raising funds | — | — | — | — | 16,914 | 16,914 |
| In-patient care | — | — | — | — | 45,961 | 45,961 |
| Community care | — | — | — | — | 4,900 | 4,900 |
| Day hospice | — | — | — | — | 3,883 | 3,883 |
| Bereavement support | — | — | — | — | 1,321 | 1,321 |
| Education and research | — | — | — | — | 2,177 | 2,177 |
| Support of members of the Congregation and their ministry | 23,172 | — | 23,172 | 68,327 | — | 68,327 |
| | 23,172 | — | 23,172 | 68,327 | 75,156 | 143,483 |

8 Net expenditure and net movement in funds

This is stated after charging:

| | Charity Total 2022 £ | Charity Total 2021 £ | Group Total 2021 £ |
|---|-------------------------------|-------------------------------|-----------------------------|
| Staff costs (note 9) | 75,999 | 2,302,287 | 10,867,026 |
| Auditor's remuneration | | | |
| · Statutory | 8,000 | 15,375 | 35,675 |
| · Non statutory – taxation services | — | — | 2,200 |
| – reporting to Group auditors | — | — | 1,130 |
| Depreciation | 44,341 | 610,478 | 1,196,123 |
| Operating lease rental - land and buildings | — | — | 482,929 |
| Operating lease rental - equipment | — | — | 11,223 |

9 Staff costs and remuneration of key management personnel

| | Charity 2022 £ | Charity 2021 £ | Group 2021 £ |
|--|----------------------|----------------------|--------------------|
| Staff costs during the year were as follows: | | | |
| Wages and salaries | 74,042 | 2,145,598 | 9,462,932 |
| Social security costs | 738 | 133,019 | 783,792 |
| Other pension costs | 1,219 | 23,670 | 620,302 |
| | 75,999 | 2,302,287 | 10,867,026 |

The number of employees who earned £60,000 per annum or more (excluding employer's pension contributions but including taxable benefits) during the year is shown below. All were employed at St Gemma's Hospice.

9 Staff costs and remuneration of key management personnel (continued)

| | Charity Total 2022 No. | Charity Total 2021 No. | Group Total 2021 No. |
|---------------------|---|---------------------------------|-------------------------------|
| £60,001 – £70,000 | — | — | 1 |
| £70,001 – £80,000 | — | — | 3 |
| £80,001 – £90,000 | — | — | 1 |
| £100,001 – £110,000 | — | — | 1 |
| £140,001 – £150,000 | — | — | 1 |
| | — | — | 7 |

As shown above, St Gemma's Hospice employed seven individuals in 2021 who had salaries over £60,000. Three of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership Team, responsible for running the Hospice. The Chief Executive is not the highest paid employee.

The average number of full time equivalent employees during the year was:

| | Charity 2022 No. | Charity 2021 No. | Group 2021 No. |
|---------------------------------------|---------------------------------|------------------------|----------------------|
| St Gemma's Hospice | — | — | 230 |
| Support of sisters and their ministry | 5 | 4 | 134 |
| | 5 | 4 | 364 |

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

In terms of St Gemma's Hospice, the Charity's subsidiary in 2021, the board of St Gemma's Hospice is responsible for the overall direction and management of the hospice. The board has overall responsibility for ensuring the hospice is managed efficiently, approves the strategy and oversees its implementation. At 31 March 2021 there were five members of the board who were representatives of the Sisters of the Cross and Passion.

The Chief Executive of the hospice leads a Hospice Leadership Team (HLT) consisting of the Director of Nursing and Deputy Chief Executive; Director of Income Generation; Director of Medicine and Consultant in Palliative Care; and Director of Corporate Services. The HLT has a strategic role in driving forward the hospice and assisting the Chief Executive in discharging the duties delegated by the board. It is the HLT that is in charge of challenging, leading, running and supporting the hospice to achieve its aims.

As explained in note 10 below, all Trustees are members of the Congregation and whilst their living and personal expenses are borne by the Charity they receive no remuneration or reimbursement of expenses in connection with their duties as Trustees.

9 Staff costs and remuneration of key management personnel (continued)

The total remuneration (including taxable benefits, employer's pension contributions and employers' national insurance contributions) of the key management personnel for the Charity was £49,023.

The total remuneration (including taxable benefits, employer's pension contributions and employers' national insurance contributions) of the key management personnel of St Gemma's Hospice for 2021 was £494,000.

10 Trustees' expenses and remuneration and transactions with trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustees received any remuneration or reimbursement of expenses in connection with their duties as Trustees (2021 – none).

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant deed of covenant. During the year, the total amount donated by the Trustees to the Charity was £nil (2021 - £66,704).

The Trustees of St Gemma's Hospice did not receive any remuneration in 2021.

No Trustee of St Gemma's Hospice was reimbursed expenses during 2021.

Indemnity insurance was provided for the Trustees of St Gemma's Hospice. Premiums paid during 2021 were £1,210. The cover was £5,000,000.

11 Taxation

The Sisters of the Cross and Passion 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

| Group and Charity | Freehold land and buildings £ | Plant, furniture and equipment £ | Motor vehicles £ | Total £ |
|---|--|---|------------------------|--------------------------|
| Cost or valuation | | | | |
| At 1 April 2021 | 11,115,143 | 115,494 | 102,762 | 11,333,399 |
| Disposals | (1,200,000) | — | — | (1,200,000) |
| Exchange movement | 33,234 | 906 | 1,097 | 35,237 |
| | <u>9,948,377</u> | <u>116,400</u> | <u>103,859</u> | <u>10,168,636</u> |
| Transfer to Sisters of the Cross and Passion CIO | (9,878,461) | (83,889) | (103,859) | (10,066,209) |
| At 31 March 2022 | <u>69,916</u> | <u>32,511</u> | <u>—</u> | <u>102,427</u> |
| Assets at historic cost | <u>69,916</u> | <u>32,511</u> | <u>—</u> | <u>102,427</u> |
| Depreciation | | | | |
| At 1 April 2021 | 1,627,513 | 71,239 | 68,194 | 1,766,946 |
| Charge for year | 39,317 | 3,277 | 1,747 | 44,341 |
| On disposals | (216,000) | — | — | (216,000) |
| Exchange movement | 7,127 | 502 | 728 | 8,357 |
| | <u>1,457,957</u> | <u>75,018</u> | <u>70,669</u> | <u>1,603,644</u> |
| Transfer to Sisters of the Cross and Passion CIO | (1,439,781) | (47,744) | (70,669) | (1,558,194) |
| At 31 March 2022 | <u>18,176</u> | <u>27,274</u> | <u>—</u> | <u>45,450</u> |
| Net book values | | | | |
| At 31 March 2022 | <u>51,740</u> | <u>5,237</u> | <u>—</u> | <u>56,977</u> |
| At 31 March 2021 | <u>9,487,630</u> | <u>44,255</u> | <u>34,568</u> | <u>9,566,453</u> |

Group and Charity

Properties located in Great Britain and owed by the Charity at 1 April 2016 were revalued by Feather, Smailes & Scales, Auctioneers and Valuers, using an existing use value or depreciated replacement cost basis during March 2002, November 2003, April 2007, October 2008, August 2009, March 2011, March 2012, March 2013, March 2014 and March 2015. The basis of valuation was dependent on the nature of the property. The chief valuer was Michael Hare Bsc LLM Dip Est Man (Tech) FRICS, FNAEA, FICBA.

Properties located in Ireland and Northern Ireland were revalued by Lisneys, Auctioneers and Valuers, using an existing use value basis during 2012.

The revaluations were part of a rolling programme that resulted in each property being revalued at least every five years. As explained under principal accounting policies, freehold land and buildings are included in the accounts at whatever their valuation was as at 1 April 2016 based on the above valuation. This valuation has been deemed cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions as of 1 April 2016 or later accounted for at cost.

13 Investments

At 31 March 2022 fixed asset investments comprised:

| | Charity 2022 £ | Charity 2021 £ | Group 2021 £ |
|--|----------------------|----------------------|--------------------|
| Programme related investments (see a below) | — | 2,044,592 | 2,044,592 |
| Assets held for sale | 1,909,946 | — | — |
| Listed investments and cash held for re-investment (see b below) | 7,037,205 | 31,943,092 | 25,406,899 |
| | 8,947,151 | 33,987,684 | 27,451,491 |
| Transfer to Sisters of the Cross and Passion CIO (see note 24) | — | (25,298,827) | (18,762,634) |
| At 31 March 2022 | 8,947,151 | 8,688,857 | 8,688,857 |

a. Programme related investments

Two of the properties are not used directly by the Charity (or Group) but they were used by other charitable and not-for-profit organisations for purposes consistent with the Charity's (or Group's) objectives. In some cases, rents were received but in other cases no formal rental agreement was in place. Therefore, the Trustees were of the opinion that the relevant land and buildings should be classified as programme related investments.

The properties have now been vacated by their tenants and the properties are in the process of being sold by the Charity. Negotiations with identified purchasers are ongoing and it is intended that the properties will be sold in due course. However, the sale will be subject to the granting of planning permission for development. Therefore, it is not anticipated that the sale will have been completed by 31 March 2023 and as such the properties have been reclassified in these accounts as non-current assets awaiting disposal.

| | Charity 2022 £ | Group and Charity 2021 £ |
|--|----------------------|-----------------------------------|
| At 1 April 2021 | 1,909,946 | 2,049,323 |
| Additions | — | 11,270 |
| Exchange movements | — | (16,001) |
| Reclassification as non-current assets awaiting disposal | (1,909,946) | — |
| | — | 2,044,592 |
| Transfer to Sisters of the Cross and Passion CIO (see note 24) | — | (134,646) |
| At 31 March 2022 | — | 1,909,946 |

Programme related investments comprise:

| | Charity 2022 £ | Group and Charity 2021 £ |
|-------------------|----------------------|-----------------------------------|
| St Gabriel's Hall | — | 134,430 |
| The Imani Centre | — | 1,775,516 |
| | — | 1,909,946 |

13 Investments (continued)

a. Programme related investments (continued)

As explained under principal accounting policies, the properties included above were included in the accounts at a value equal to their depreciated cost immediately prior to reclassification. Further details in respect to the programme related investments is given below.

St Gabriel's Hall

St Gabriel's Hall was used during both 2020 and 2019 as a hall of residence by Manchester University. During both of these years it was a catered, all-girls hall comprising of about 100 residents, along with five tutors and the hall warden forming the pastoral team. The hall admitted undergraduate and postgraduate students. The lease on the property expired in 2018. On the advice of the Charity's property advisor and solicitors the Trustees engaged Cushman and Wakefield to negotiate with the University of Manchester and the lease was extended until September 2019, when the properties were vacated.

The Imani Centre

The Imani Centre was used during both 2020 and 2019 by the Imani Community Association, to promote the benefit of the inhabitants of Manchester and the neighbourhood together with local authorities, voluntary and other organisations and so advance education and provide facilities in the interests of social welfare. Specific activities include regular self protection sessions, fundraising functions, young people's groups and play schemes.

The property used by the Centre adjoins St Gabriel's Hall and is now also vacant following the expiry of the lease.

13 Investments (continued)

b. Listed investments and cash held for re-investment

| | Charity 2022 £ | Charity 2021 £ | Group 2021 £ |
|--|----------------------|----------------------|--------------------|
| Listed investments | | | |
| Market value at 1 April 2021 | 6,637,659 | 22,208,169 | 27,447,584 |
| Additions at cost | 569,260 | 744,097 | 1,673,963 |
| Disposals at book value (proceeds: £527,945; gains: £62,011) | (465,484) | (2,567,611) | (3,682,472) |
| Exchange movements | 5,326 | (9,779) | (9,780) |
| Net unrealised investment gains | 217,727 | 4,423,838 | 5,479,624 |
| Market value at 31 March 2022 | 6,964,488 | 24,798,714 | 30,908,919 |
| Cash held by investment managers for reinvestment | 72,717 | 608,185 | 1,034,174 |
| | 7,037,205 | 25,406,899 | 31,943,093 |
| Transfer to Sisters of the Cross and Passion CIO (see note 24) | — | (18,627,988) | (25,164,182) |
| | 7,037,205 | 6,778,911 | 6,778,911 |
| Cost of listed investments | 4,943,719 | 16,228,541 | 20,896,555 |
| Transfer to Sisters of the Cross and Passion CIO (see note 24) | — | (11,481,438) | (16,149,452) |
| Cost of listed investments at 31 March 2022 | 4,943,719 | 4,747,103 | 4,747,103 |

The movement on listed investments for 2021 for the Charity and Group is given prior to the transfer to the Sisters of the Cross and Passion CIO. Listed investments, all of which were dealt in on a recognised stock exchange, comprised the following:

| | Charity 2022 £ | Charity 2021 £ | Group 2021 £ |
|--|----------------------|----------------------|--------------------|
| Fixed interest based common investment funds | 349,145 | 1,088,781 | 1,990,213 |
| Equities | 1,012,576 | 5,371,773 | 8,148,391 |
| Unit trusts | 3,645,166 | 14,220,313 | 14,219,943 |
| Alternative investments | 415,594 | 674,340 | 1,110,910 |
| Property | — | 168,806 | 355,376 |
| Overseas funds | 1,542,007 | 3,274,701 | 5,084,086 |
| | 6,964,488 | 24,798,714 | 30,908,919 |

Included in the investment portfolio was the following holding which, at 31 March 2022, had a market value which was deemed material in comparison with the market value of the total portfolio at that date:

| | Charity | | Charity | | Group | |
|--|------------------------------|---|------------------------------|---|------------------------------|---|
| | 2022 Market value £ | 2022 Percentage of portfolio % | 2021 Market value £ | 2021 Percentage of portfolio % | 2021 Market value £ | 2021 Percentage of portfolio % |
| Sarasin Endowments Fund (Income Units) | 3,645,166 | 52.34 | 14,219,943 | 57.34 | 14,219,943 | 46.01 |

14 Debtors

| | Charity 2022 £ | Charity 2021 £ | Group 2021 £ |
|---|----------------------|----------------------|--------------------|
| Trade debtors | — | — | 2,428 |
| Income tax recoverable | — | — | 121,974 |
| Other debtors | — | 8,519 | 590,911 |
| Prepayments and accrued income | 1,962 | 341,919 | 510,738 |
| | 1,962 | 350,438 | 1,226,051 |
| Transfer to Sisters of the Cross and Passion CIO (see note 24) | — | (10,501) | (886,114) |
| | 1,962 | 339,937 | 339,937 |

15 Creditors: amounts falling due within one year

| | Charity 2022 £ | Charity 2021 £ | Group 2021 £ |
|---|----------------------|----------------------|--------------------|
| Expense creditors | — | — | 50 |
| Taxation and social security costs | — | 29,614 | 29,614 |
| Other creditors | — | 30,580 | 640,567 |
| Accrued expenditure | 22,125 | 178,878 | 435,860 |
| | 22,125 | 239,072 | 1,106,091 |
| Transfer to Sisters of the Cross and Passion CIO (see note 24) | — | (224,728) | (1,091,747) |
| | 22,125 | 14,344 | 14,344 |

16 Designated funds

The income funds of the Charity included designated funds which had been set aside out of unrestricted funds by the trustees for specific purposes. With effect from midnight on 31 March 2022, the funds were transferred to Sisters of the Cross and Passion CIO.

| Charity | At 1 April 2021 £ | New designation £ | Utilised/ released £ | Transfer to CIO (note 24) £ | At 31 March 2022 £ |
|---------------------------------------|----------------------------|-------------------------|----------------------------|--------------------------------------|-----------------------------|
| Future healthcare of sisters | — | — | — | — | — |
| Crisis donations | — | — | — | — | — |
| Programme related investments fund | 1,909,946 | — | (1,909,946) | — | — |
| | 1,909,946 | — | (1,909,946) | — | — |

| Group and Charity | At 1 April 2020 £ | New designation £ | Utilised/ released £ | Transfer to CIO (note 24) £ | At 31 March 2021 £ |
|---------------------------------------|----------------------------|-------------------------|----------------------------|--------------------------------------|-----------------------------|
| Future healthcare of sisters | 23,000,000 | — | (4,000,000) | (19,000,000) | — |
| Crisis donations | 165,305 | — | (5,000) | (160,305) | — |
| Programme related investments fund | 2,049,323 | 11,270 | (16,001) | (134,646) | 1,909,946 |
| | 25,214,628 | 11,270 | (4,021,001) | (19,294,951) | 1,909,946 |

16 Designated funds (continued)

The future healthcare of sisters fund consisted of monies which the Trustees set aside in order to provide for the sisters in later life. The calculations, based on actuarial methods, indicated that £23 million is needed to be set aside in order to provide £20,000 per annum for sisters over 65 years of age and, because of greater health needs, £30,000 to £40,000 per annum for sisters over 75 years of age and £40,000 to £50,000 per annum for those over 90 years of age. The amount designated had been limited by the resources available and the fund, prior to the transfer to the CIO on 31 March 2021 had been reduced by £4 million to £19 million.

The crisis donations fund consisted of monies which the trustees set aside from the proceeds of the disposal of a property in Liverpool. The fund was to be used to fund donations to projects, run by others, which are trying to alleviate the suffering of asylum seekers, the homeless and crisis situations. This fund was transferred to the CIO on 31 March 2021.

The programme related investments fund had been designated to represent the carrying value of the Charity's programme related investments. The amount had been set aside from the Charity's general funds in recognition of the fact that the assets have been made available to the Imani Community Association, Manchester University and therefore could not be regarded as funds that would be available to meet future contingencies.

17 Tangible fixed assets fund

| | Charity 2022 Total £ | Group and Charity 2021 Total £ |
|--|-------------------------------|--|
| At 1 April 2021 | 9,566,453 | 25,825,835 |
| Net movement in year | <u>(1,001,461)</u> | <u>(794,023)</u> |
| | 8,564,992 | 25,031,812 |
| Transfer to Sisters of the Cross and Passion CIO (see note 24) | <u>(8,508,015)</u> | <u>(15,465,359)</u> |
| At 31 March 2022 | <u>56,977</u> | <u>9,566,453</u> |

The tangible fixed assets fund represents the net book value of the tangible fixed assets excluding those used by St Gemma's Hospice. A decision was made to separate this fund from the other funds of the Group and Charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the Group and Charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

18 Analysis of net assets between funds

| Charity | General fund £ | Tangible fixed assets fund £ | Designated funds £ | Restricted funds £ | Total 2022 £ |
|---|-------------------|---------------------------------|-----------------------|-----------------------|------------------|
| Fund balances at 31 March 2022 are represented by: | | | | | |
| Tangible fixed assets | — | 56,977 | — | — | 56,977 |
| Assets held for sale | 1,909,946 | — | — | — | 1,909,946 |
| Investments | 7,037,205 | — | — | — | 7,037,205 |
| Net current assets | 809,529 | — | — | — | 809,529 |
| Total net assets | 9,756,680 | 56,977 | — | — | 9,813,657 |

| Charity | General fund £ | Tangible fixed assets fund £ | Designated funds £ | Restricted funds £ | Total 2021 £ |
|---|-------------------|---------------------------------|-----------------------|-----------------------|-------------------|
| Fund balances at 31 March 2021 are represented by: | | | | | |
| Tangible fixed assets | — | 9,566,453 | — | — | 9,566,453 |
| Investments | 6,778,911 | — | 1,909,946 | — | 8,688,857 |
| Net current assets | 972,678 | — | — | — | 972,678 |
| Total net assets | 7,751,589 | 9,566,453 | 1,909,946 | — | 19,227,988 |

| Group | General fund £ | Tangible fixed assets fund £ | Designated funds £ | Restricted funds £ | Total 2021 £ |
|---|-------------------|---------------------------------|-----------------------|-----------------------|-------------------|
| Fund balances at 31 March 2021 are represented by: | | | | | |
| Tangible fixed assets | — | 9,566,453 | — | — | 9,566,453 |
| Investments | 6,778,911 | — | 1,909,946 | — | 8,688,857 |
| Net current assets | 972,678 | — | — | — | 972,678 |
| Total net assets | 7,751,589 | 9,566,453 | 1,909,946 | — | 19,227,988 |

The total unrealised gains as at 31 March 2022 constitute movements on revaluation and are shown below. The comparative amounts for 2021 are given prior to the transfer to the Sisters of the Cross and Passion CIO.

| | Charity 2022 £ | Charity 2021 £ | Group 2021 £ |
|---|-------------------|-------------------|-------------------|
| Unrealised gains included above: | | | |
| On investments | 2,020,769 | 8,570,174 | 10,012,364 |
| Total unrealised gains at 31 March 2022 | 2,020,769 | 8,570,174 | 10,012,364 |
| Reconciliation of movements in unrealised gains (losses) | | | |
| Unrealised gains at 1 April 2021 | 1,890,558 | 4,722,622 | 5,294,021 |
| Less: in respect to disposals in the year | (92,842) | (566,507) | (751,501) |
| | 1,797,716 | 4,156,115 | 4,542,520 |
| Net gains arising on revaluation in the year | 223,053 | 4,414,059 | 5,469,844 |
| Total unrealised gains at 31 March 2022 | 2,020,769 | 8,570,174 | 10,012,364 |

19 Pension commitments

Charity:

The Charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

St Gemma's Hospice operated two pension schemes in the prior year:

- ◆ National Health Service Pension Scheme
A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies. Contributions to this scheme are paid in respect of current service, and there is no liability to the hospice in respect of past service.

- ◆ Group Personal Pension Scheme

In addition there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life which is available to all employees.

The charge to the statement of financial activities of £nil (2021 – £596,632) represents contributions to funds during the year. Contributions payable to the schemes at the year-end date totalling £nil (2021 – £24,474) are included in creditors.

20 St Gemma's Hospice

Until 31 March 2021, the Charity had a wholly owned subsidiary, St Gemma's Hospice, a charitable company constituted as a company limited by guarantee, Charity Registration No. 1015941 and Company Registration No. 02773867 (England and Wales). The charitable company operates a hospice in Leeds providing palliative care, treatment or relief of people with active, progressive and advanced illnesses without regard to their means, culture, faith or belief. A summary of its results for 2021 is shown below. Audited accounts were filed with both the Registrar of Companies and the Charity Commission.

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | 2021 Total funds £ |
|--|----------------------------|--------------------------|--------------------------|-----------------------------|
| Income: | | | | |
| Donations, legacies and trusts | 3,028,650 | — | 597,712 | 3,626,362 |
| Other trading activities | 1,845,450 | — | — | 1,845,450 |
| Investment income | 174,166 | — | — | 174,166 |
| Charitable activities | 3,824,499 | — | 2,014,904 | 5,839,403 |
| Total income | 8,872,765 | — | 2,612,616 | 11,485,381 |
| Expenditure: | | | | |
| Cost of raising funds | 3,284,316 | 98,292 | — | 3,382,608 |
| Charitable activities | 5,059,857 | 519,407 | 2,627,825 | 8,207,089 |
| Total expenditure | 8,344,173 | 617,699 | 2,627,825 | 11,589,697 |
| Gains on investments | 1,246,821 | — | — | 1,246,821 |
| Net income (expenditure) before transfers | 1,775,413 | (617,699) | (15,209) | 1,142,505 |
| Transfers | (862,923) | 917,028 | (54,105) | — |
| Net movement in funds | 912,490 | 299,329 | (69,314) | 1,142,505 |
| Reconciliation of funds: | | | | |
| Fund balances at 1 April 2020 | 7,472,574 | 3,979,809 | 291,889 | 11,744,272 |
| Fund balances at 31 March 2021 | 8,385,064 | 4,279,138 | 222,575 | 12,886,777 |

St Gemma's Hospice has an arrangement with Sue Ryder Care (Wheatfields) to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries. The net income received during 2021 from the lottery was £92,323.

21 St Gemma's Hospice Services Limited

St Gemma's Hospice has a wholly owned subsidiary, St Gemma's Hospice Services Limited, a company incorporated in the United Kingdom and registered in England and Wales Company No. 03739423. The company undertakes trading activities including the sale of goods and the provision of room hire. A summary of its trading results for 2021 is shown below, the company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

| | 2021 £ |
|---|---------------|
| Profit and loss account | |
| Turnover | 49,081 |
| Cost of sales | (12,514) |
| Gross profit | 36,567 |
| Administrative expenses | (634) |
| Management charge | (18,987) |
| Operating profit | 16,946 |
| Amount gift aided to St Gemma's Hospice | (16,946) |
| Retained in subsidiary | — |
| Aggregate capital and reserves | 2 |

22 Leasing commitments

Operating leases

At 31 March 2022, the Group and Charity had the following total future minimum lease payments under non-cancellable operating leases relating to land and buildings and office equipment:

| | Land and buildings | | Office equipment | |
|----------------------------|----------------------|--------------------|----------------------|--------------------|
| | Charity 2022 £ | Group 2021 £ | Charity 2022 £ | Group 2021 £ |
| Within one year | — | 395,986 | — | 6,539 |
| Between one and five years | — | 680,165 | — | 7,327 |
| | — | 1,076,151 | — | 13,866 |

The Charity did not have any operating lease commitments in 2022 or 2021.

23 Ultimate control

The Charity, which is constituted as a trust, was controlled throughout the period by St Paul's Province of the Sisters of the Cross and the Passion by virtue of the fact that the members of the Congregation appoint the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province are vested in the Trustees of the Charity, who undertake all transactions entered into in the course of the Province's charitable activities.

24 Transfer to Sisters of the Cross and Passion CIO

With effect from midnight on 31 March 2021, certain activities, assets and liabilities of the Charity were transferred to the Sisters of the Cross and Passion CIO, Charity Registration No. 1185348 in accordance with a legal transfer of undertaking deed dated 31 March 2021. The net assets at that date comprised:

| | 2021 £ |
|--|--------------------|
| Tangible fixed assets | |
| . Cost | 19,790,592 |
| . Depreciation | <u>(4,325,233)</u> |
| | 15,465,359 |
| Fixed asset investments (including cash held by investment managers of £466,935) | 18,762,634 |
| Debtors | 10,501 |
| Cash at bank and in hand | 1,203,287 |
| Creditors: amounts falling due within one year | <u>(224,728)</u> |
| | <u>35,217,053</u> |

The assets and liabilities were represented by the following funds:

| | 2021 £ |
|----------------------------|-------------------|
| Tangible fixed assets fund | 15,465,359 |
| General funds | 456,739 |
| Restricted funds | 4 |
| Designated funds | 19,294,951 |
| | <u>35,217,053</u> |

During the year ended 31 March 2022, further assets of £8,622,195 were transferred to the Sisters of the Cross and Passion CIO, Charity Registration No. 1185348. These consisted of tangible fixed assets at a net book value of £8,508,015 (cost of £10,066,209, less depreciation of £1,558,194) and cash at bank of £114,180.

In addition, a donation of £1,450,000 was made to the Sisters of the Cross and Passion CIO in relation to the proceeds from the sale of a freehold property in London.

25 Related parties

Other than the transactions detailed in notes 10 and 24, there are no related party transactions that require disclosure (2021 – none).

26 Post balance sheet events

There are no post balance sheet events that require disclosure.

SISTERS OF THE CROSS AND PASSION

England & Wales - Charity number 1038483

Accounts



Sisters of the Cross and Passion

Annual Report and Accounts

31 March 2021

Charity Registration Numbers
1038483 (England and Wales)
SC038416 (Scotland)
20015893 (Republic of Ireland)

Reference and administrative details of the Charity, its trustees and advisers 1

PART ONE: Report of the trustees

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Mission and Objectives

CHAPTER TWO ACTIVITIES, ACHIEVEMENTS, FUTURE PLANS 6

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Religious Orders in Education (ROE)
Le Chéile Trust
Newbridge Youth Training and Development Centre
Leeds Trinity University
St Gabriel's Hall

2 Health Care

Communities of Care
St Gemma's Hospice

3 Pastoral and Spiritual Care

Retreat Ministry: Briery Retreat Centre
Drumalis Retreat and
Conference Centre
Minsteracres Retreat Centre
Tearmann Spirituality Centre

Parish Work
Associates
Hospital Chaplaincy
Spiritual Direction
L'Arche Community
Marriage Tribunal

4 Social Care

Poverty, Homelessness, Hunger
Asylum Seekers, Refugees and Migrants
Counselling and Community Care

5 Activities supported by our Crisis Fund

Asylum Seekers
Homelessness, Hunger, Destitution
People with Physical or Mental Health needs
General Areas of Need
Other

6 Missions

7 Future Plans

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

| | |
|--|---|
| Trustees | Sister Eileen Fucito Sister Carmel Gorman Sister Anne Hammersley Sister Therese O'Regan Sister Máire Ni Shúilleabháin Sister Savio Steed |
| Province Leader | Sister Therese O'Regan |
| Province Bursar | Mrs Sakina Lowe |
| Principal address | Cross & Passion Convent 299 Boarshaw Road Middleton Manchester M24 2PF |
| Telephone | 0161 655 3184 |
| Email | pltcpsisters@gmail.com |
| Website | www.crossandpassion.com |
| Charity Registration Number - England and Wales | 1038483 |
| Charity Registration Number - Scotland | SCO38416 |
| Charity Registration Number - Republic of Ireland | 20015893 |
| Accountants | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Auditor | RSM UK Audit LLP Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE |

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

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Principal bankers

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Bank of Ireland Limited
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Finance and General Purposes Committee

Elizabeth Wilson, Wrigleys Solicitors LLP
Amanda Francis, Buzzacott LLP
Andrew Mather, CS2 Chartered Surveyors

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

| | |
|--------------------------|---|
| Insurance Brokers | Steve Burns, Marsh Commercial, UK Liam Conlon, Arachas Ireland |
| Energy Broker | Charles Lowe, EnergyFlowe Limited, UK |

Report of the Trustees Year to 31 March 2021

The Trustees present their statutory report, together with the accounts of the Sisters of the Cross and Passion (the 'Charity'), for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 49 to 56 and comply with the Charity's Trust Deed, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Irish Charities Act 2009. The accounts also comply 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 the Republic of Ireland (FRS 102).

PART ONE

CHAPTER ONE – Who we are

Introduction

The Sisters of the Cross and Passion is an international Roman Catholic Religious Congregation founded in industrial England in 1852. It is divided into a number of individual provinces under the authority of the Congregational Leadership Team, members of which reside in the UK, Republic of Ireland, the USA and Argentina and their offices are in Larne, Antrim, Northern Ireland.

The Sisters from St Paul's Province live in England and Ireland. The accounts accompanying this report are those of the charitable trust on which the assets of St Paul's Province were held during the year to 31 March 2021 and include the Congregational assets (the Charity). The Charity is governed by a Trust Deed dated 25 March 1994 and is registered with the Charity Commission:

| | | |
|-----------------------------|---------------------|----------|
| Charity Registration Number | England and Wales | 1038483 |
| Charity Registration Number | Scotland | SC038416 |
| Charity Registration Number | Republic of Ireland | 20015893 |

The Trustees have been working for some time on a project to de-merge the Province and the Congregation and simultaneously to incorporate the Province.

With effect from midnight on 31 March 2021, in accordance with a legal transfer of undertakings dated 31 March 2021 and a resolution of the trustees, certain of the activities, assets and liabilities of the Charity relating to the Province were transferred as a going concern into a newly formed Charitable Incorporated Organisation (CIO), Sisters of the Cross and Passion CIO, Charity Registration Number 1185348 (the 'successor charity'). See note 25 for more detail. Other Congregational assets and liabilities remain in the Charity for the time being, together with some Province assets which the trustees have been advised to leave in the Charity. The Sisters of the Cross and Passion CIO will be the main vehicle for delivering Province activities going forward. The Charity ceased to be CQC-registered on 1 April 2021 (as the CQC registration transferred to the CIO on that date), and therefore ceased CQC registered activities at midnight on 31 March 2021.

Mission and Objectives

The corporate mission of the Sisters of the Cross and Passion is to witness to the reconciling, forgiving and compassionate love of God through openness to the needs of the world and especially those of the poor and marginalised.

The Sisters of the Cross and Passion identify with Christ in his Passion, Death and Resurrection. We aspire to a more just and compassionate world, where the rights and dignity of the whole of creation is upheld and respected.

What follows is an account of the work of the Charity from April 2020 – March 2021. Benefits are identifiable and touch the lives of the people whom the sisters seek to serve in all their ministries.

The objectives of the Sisters of the Cross and Passion, as stated in the Trust Deed, are the relief of poverty, the provision of relief assistance and comfort to the sick, the provision of education and the advancement of the teachings of the Roman Catholic Church (or other such charitable purposes as are lawfully authorised from time to time by the constitutions of the Congregation) by such means as are suited to the time and place in which the provision is to be made.

To fulfil these objectives, the sisters regularly evaluate their pastoral activities in the light of their charism, present day needs and requests for help in new ministries and new localities. They continue to evaluate their pastoral activities in the light of their diminishing numbers, increasing age profile and decreasing financial resources. Policies and procedures are reviewed and updated regularly in accordance with statutory regulations and Congregational objectives.



As Sisters of the Cross and Passion we hope that our lives witness to the reconciling, merciful and compassionate love of God. We are covenanted to be bearers of the mercy of God by responding to the needs of the world in our time, as Elizabeth Prout, our Foundress, did in hers.

While Justice, Peace and the Integrity of Creation remain an integral part of our Spirituality, two major issues evolved from our Province Chapter in August 2016. They were:



1. *A deep concern for the many crises of our times and how we can best use our diminishing resources to respond with compassion to these crises.*

At our Province Assembly on 29 March 2017 there was a further development regarding this issue. We agreed to set aside a Crisis Fund to support projects, undertaken by others, which are compatible with our vision and which we ourselves are no longer able to undertake.

2. *How we can provide quality care for our increasing number of elderly sisters.*

Mission and Objectives (continued)

In fulfilment of the objectives of the Charity it is the policy of the Province to enable its members to undertake a broad range of charitable activities. The principal areas in which the members of the Congregation are involved are set out below.

- 1 Education**
- 2 Health Care**
- 3 Pastoral and Spiritual Care**
- 4 Social Care**
- 5 Activities supported by our Crisis Fund**

CHAPTER TWO – Activities, Achievements, Future Plans

1 Education

Whilst the apostolate of the sisters in earlier years was very strongly based in teaching, sisters who have vast experience in education now bring their skills to the administration of pastoral care and community development.

Teacher's Enterprise in Religious Education

"The mission of the Teachers' Enterprise in Religious Education (TERE) is to support teachers in Catholic schools and in the wider Christian community in their daily task of unfolding for teachers and pupils the mystery of God, the teaching of the Church and its application to daily life."

Its objectives are to:

- ◆ Promote the teaching of religious education with the same academic rigour as the other subjects in the curriculum;
- ◆ Provide opportunities for teachers to deepen their theological understanding of the Christian faith and its application to daily life;
- ◆ Create a variety of resources, for example text books, website with online interactive elements for classroom use, CD ROMS etc.

One sister is involved as a full-time director in this project.

Covid-19

The current worldwide effects of the spread of Covid-19 had a direct effect on the work of TERE. When schools were closed for several months in 2020-2021, teachers requested home-learning resources for Religious Education. Within a matter of weeks a wide range of resources, for all age groups, were put on their website www.tere.org. In addition, permission was granted to schools that had purchased *The Way, the Truth and the Life* CD/DVD ROMs to put the contents on their own website provided access was available only to their pupils.

1 Education (continued)

Covid-19 (continued)

Between September and November 2020 in-service training was provided, on Zoom, for primary teachers of Early Years Foundation Stage, Years 1-6. This was much appreciated as it enabled teachers from all over the United Kingdom to participate.

Support to the Religious Education Service

The Bishop's Conference of England and Wales has put in train the possible revision of the Curriculum for Religious Education in Catholic schools. As one of the leading providers of materials for Religious Education, The Teachers' Enterprise for Religious Education (TERE) is one of the stakeholders in this process and has been heavily involved in the consultations. Currently they are anticipating some possible changes to the Religious Education curriculum, which will involve the development of some new resources. This is a work in progress.

In the words of Cardinal Nichols, *"This is a group of teachers working hard to improve classroom RE, especially in Catholic Schools. This enterprise has my full support and encouragement."*

Religious Orders in Education, ROE



This Association was initiated in July 2019 to enrich Catholic Education in England and Wales by supporting religious orders in their mission as trustees or founders of schools and colleges. To this end the Association celebrates and builds on a rich heritage of religious orders in education and supports them in continuing to work together collaboratively. One sister attended the meetings held on Zoom in 2020.

Le Chéile Trust

The Le Chéile Trust mission is to *"promote Catholic education as an option within the Irish education system and to develop the schools given to the Trust in the service of their local communities."*



The Trusteeship of Maryfield College, Dublin and the donation of its land to Le Chéile Trust was completed in 2019. The process of donating Cross and Passion College, Kilcullen, Co Kildare is almost complete. The delay in this project is due to the Covid-19 restrictions, which curtailed meetings and mapping that needed to be done.

Two sisters are members of Le Chéile (Enterprise) and Siol (Property and Finance). As Trustees, we attend meetings of Le Chéile for Congregational representatives and the annual conferences of Le Chéile and Siol Boards.

1 Education (continued)

Le Chéile Trust (continued)

- ◆ **Maryfield College, Dublin** is a voluntary secondary school for girls within the free education system with an enrolment of 642 pupils. It is an all-ability school, committed to providing opportunities for all students to develop their unique talents and abilities in a positive, challenging and caring learning environment.

- ◆ **Cross & Passion College, Kilcullen, County Kildare** is a community school, with an enrolment of 762 pupils. It caters for the secondary education needs of girls and boys in Kilcullen town and the surrounding rural area.

Both schools celebrate their heritage and the pupils are invited to participate in the life of the sisters by supporting their Mission. Sisters are regularly invited to attend functions at both schools when lockdown restrictions permit.

Newbridge Youth Training and Development Centre (YTDC)

YTDC in Kildare, Ireland offers educational and training opportunities to young people, between the ages of 16 and 21, who have left formal education without achieving the Leaving Certificate. One sister is a director of this Board.

Leeds Trinity University



Leeds Trinity University (LTU) was co-founded by the Sisters of the Cross and Passion and the Catholic Education Service as a Teacher Training College in 1967. In the fifty-four years since its foundation it has transformed itself into a university renowned for

teaching excellence and has been ranked by the Times and Sunday Times as the sixth best university in the country for teaching quality. Leeds Trinity offers undergraduate, postgraduate, foundation and top-up courses, as well as apprenticeship and work based learning.

In accordance with the Articles of Association, the trusteeship of the University remains with the Charity as well as the Diocese of Leeds. While the sisters are no longer actively involved in the day-to-day life of LTU they have a representative on the Board of Governors. The Congregation also has the right to nominate up to five people to be independent directors on the Board.

"Our mission is guided by our catholic identity and faith foundation...We are committed to the promotion of dignity, respect, social justice and equality in order to deliver positive social and economic impacts." (LTU Mission Statement.)

1 Education (continued)

St Gabriel's Hall

St Gabriel's Hall was an all-female hall of residence for Manchester University which had been leased to the University on a peppercorn rent for the past thirty five years. This lease expired in 2018, which was also the centenary year of its foundation. An extension to the lease was agreed with the University until September 2019, when the premises were vacated. The Trustees, with the help of their advisors, are now in the process of marketing this property. Money received from the sale will be invested to enable the Charity to continue its work into the future.



St Gabriel's Hall

2 Health Care

Communities of Care

Jesus said, "I have come that you may have life, life in all its fullness."

John 10 10

It is our desire that sisters in communities of care will be encouraged, and have the opportunity, to live life as fully as possible in both its human and spiritual dimension for as long as possible. (Province Chapter Mandate 2016)

In order to provide this care the Province owns and manages four care communities.

Elmleigh, Yorkshire, is located in the residential town of Ilkley, in Wharfedale. This is a non-registered, residential care community. The majority of the sisters are ambulant but in need of assisted living.

East Holme, Lancashire, is located in Lytham-St-Anne's on the Fylde coast. It is a registered Nursing Home with two levels of care: independent living upstairs and a 10 bed full nursing unit downstairs, with four beds dedicated to dementia care. We were very happy when the home received an overall rating of Good from the CQC inspection, which took place in November 2018. In 2019 the Care Manager and Administrator both retired. They were replaced with minimum disruption to the home. Our new Care Manager received her CQC registration on 31 March 2020. It has been a challenging year because of Covid restrictions, but the manager has been highly recommended by the CQC Engagement and Support Call Team, who did an online inspection in June 2020. An extract from the report reads:



2 Health Care (continued)

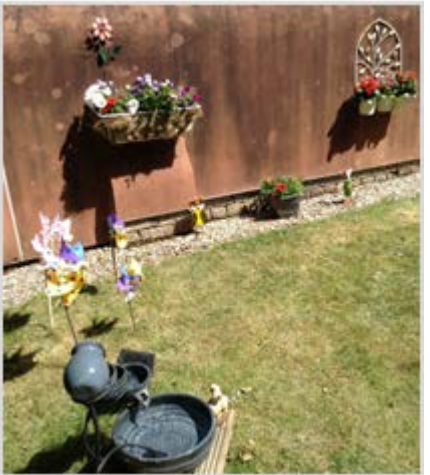
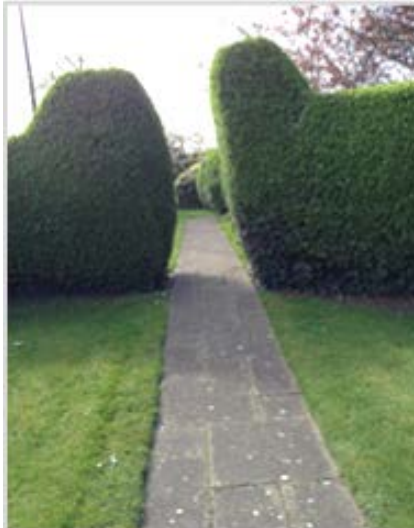
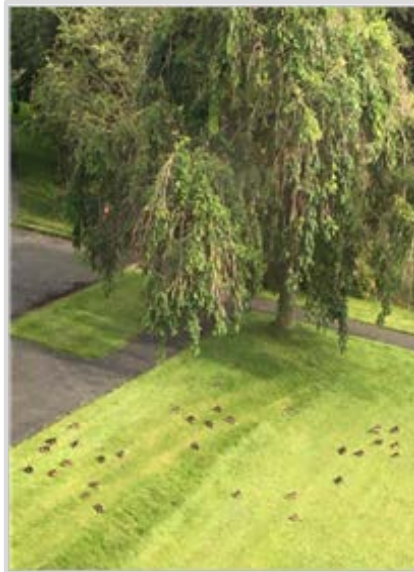
Communities of Care (continued)

“We were assured there was effective management of the service during the pandemic. The Registered Manager and Deputy Manager were accessible and had introduced processes to keep people and staff safe. You sought guidance and delivered care and treatment to ensure the threat of Covid-19 had diminished. Staffing levels were good, allowing Cross and Passion Convent to provide a resilient service with continuity of care being embedded within the service.”

Another major change initiated in 2020 was to terminate our contract with the outside catering and cleaning service. Over time this will result in savings. It will bring the catering and cleaning services in-house under the one management, giving a more satisfactory outcome for all concerned. After many meetings with staff and management the contract was amicably terminated in October 2020. The staff transferred across to be employed in East Holme. As there was no management post available, the manager from the catering service took redundancy payment.

Report of the Trustees Year to 31 March 2021

Our Communities of Care had beautiful gardens for our Sisters to enjoy during lockdown.



2 Health Care (continued)

Communities of Care (continued)

Villa Pacis, Belfast, Northern Ireland was opened in June 1995 as a non-registered retirement convent for sisters. It is now a 15 bed care community for our sisters, with five sisters receiving full nursing care. The other sisters living there are ambulant but require assisted living.

Marino, Dublin, Ireland, is also a non-registered residential care community for sisters in need of assisted living. During the past year we have had the mammoth task of totally evacuating the building because it failed to reach Fire Safety Standards. This has involved finding alternative accommodation for 15 residents, ranging in age from 84 to 99, making most of the staff redundant and undertaking a complete refurbishment of the building to make it a safe place for both residents and staff.

The fire report arrived late in August 2020 and by the end of October, at very great human and financial costs, the building had been evacuated. All of this happened at the time when Covid was increasingly adding to the difficulty of finding nursing home spaces for the residents. The work of refurbishing the building has also been delayed because of Covid restrictions, but planning permissions have been obtained and plans drawn up to commence this work as soon as the restrictions are lifted.

Three sisters requiring specialist care are resident in other care homes; one in Sybil Hill Nursing Home, one in Catherine McAuley Nursing Home and one in Highfield Healthcare; all in Dublin.

There are currently 51 sisters in these communities, but this number fluctuates because of deaths or sisters needing respite care.

Each of our care communities has a managerial structure which employs appropriate staff. Each community has a pastoral sister, who organises the spiritual care and liaises between the sisters and the management.

The Province Leadership Team (PLT) is in weekly contact with the care communities by phone. During this past year, because of Covid restrictions, meetings with the managers and sisters have taken place on Zoom. In this current crisis we greatly appreciate the way in which our managers and staff have coped and are still coping; complying with government regulations and doing all they can to protect the sisters in their care. To date our care communities have been Covid-free and the residents and staff have now been vaccinated. Managers are encouraged to keep in touch with each other to share ideas, and sometimes find solutions to problems together, thus creating a strong support system for good management of our care communities.

Looking to the future management of our care homes, we have had input from three HR Consultancy Services. After consultation with our managers we hope to engage one or two of these agencies to give additional support to our managers in terms of employment, health and safety and risk assessment.

2 Health Care (continued)

Communities of Care (continued)

Pastoral care of the sisters has continued, but again implementing the Covid restrictions, which has meant using live-streamed religious service and Zoom contact with priests when needed.

Normally regular visits are carried out by the named sisters for safeguarding in the province, to ensure the statutory safeguarding norms are adhered to. This has been reduced to telephone conversations this past year.

The total expenditure of our care homes was financed by the Charity and going forward will be financed by the new CIO. This is part of the cost of maintaining members of the Congregation.



St Gemma's Hospice

St Gemma's Hospice in Leeds, founded by the Sisters of the Cross and Passion in 1978, is a charitable company and a subsidiary of the Sisters of the Cross and Passion. In September 2017, St Gemma's Academic Unit of Palliative Care was the first in Britain to be recognised as a University Teaching Hospice. This prestigious national status reflects the substantial research and teaching activity undertaken in collaboration with the University of Leeds. Health care professionals from across the city receive training here and the research helps to improve patient care.

In line with other health and social care providers, St Gemma's is regulated by the Care Quality Commission and is subject to inspection. Their current rating is **Outstanding**. They are also regulated by the Charity Commission. St Gemma's is currently listed in the Sunday Times Top 100 Best Companies for recognising their commitment to staff satisfaction and engagement. The Hospice is also in the UK's top 50 Inclusive UK Employers. The list acknowledges organisations for *"harnessing a truly diverse workforce"* and recognises *"the significant efforts of organisations nationwide that excel in their commitment to equality and inclusion across all strands of diversity."*

From its inception St Gemma's Hospice has provided care on the basis of need, regardless of age, gender, race, religion, disability or sexual orientation. The philosophy of St Gemma's centres on **care, compassion and respect for the life and dignity of each person**. St Gemma's is for people who have life-threatening illnesses with difficult symptoms to manage. Care is based on a simple idea – that the person is more than the illness. Each of us - whether sick or well – has unique physical, emotional, social and spiritual needs. St Gemma's tries to respond to these needs in ways that place the highest value on respect, choice and empowerment. They offer a wide range of expert services to support patients, their families and friends, not just in the hospice building, but also in people's own homes, including nursing homes across the Leeds community.

2 Health Care (continued)

St Gemma's Hospice (continued)

The past year has been a very challenging one and St Gemma's has responded to the Covid-19 pandemic with flexibility and resilience. Even in these very difficult times they have delivered their core service of compassionate care. They have also seen significant transformation of their clinical and support services in a very short period of time, including remote consultations with patients, support of families and the provision of more tele-education. Staff wellbeing is vitally important and wellbeing initiatives have been expanded to increase health promotion, support for working carers and, in light of Covid-19, providing safe spaces for the staff to discuss their fears and concerns.

The Covid-19 pandemic has made drastic changes to our world and has highlighted further the importance of a good death and support for the bereaved. It is very reassuring to know that the ethos upon which St Gemma's was founded is still alive and actively reaching out to people who are in need of care, especially in this time of crisis.



The Sisters of the Cross and Passion retain ultimate control of the company, and as such its accounts, and those of its own subsidiary trading company, are included in the accounts attached to this report. As Trustees of the Hospice, the Sisters attend all board and strategy meetings.

3 Pastoral and Spiritual Care

Retreat Ministry

Retreat work has been one of the earliest works of our Congregation. Given the levels of stress in today's society, this work helps people to have rest, respite and spiritual renewal and as such, is an invaluable source of wellbeing for people from all walks of life. Sisters are involved in, and work directly with, three retreat centres – The Briery and Drumalis, which we own and manage and Tearmann Spirituality Centre. One sister sits on the board of Minsteracres Retreat Centre.

Briery Retreat and Conference Centre *is a place of spiritual renewal, where those who come can find God in an atmosphere of love, prayer, healing and peace ~ where all are valued, encouraged to discover their gifts and challenged to use them in the service of others ~ where the poor, the suffering and the lonely can experience the power of the cross and the hope of resurrection in Christ.*



However, like all places of hospitality in the country, the Briery went into lockdown on 23 March 2020. Retreats, which had been booked in March, had been cancelled by the organisers as people became more aware of the rapid spread of Covid-19.

3 Pastoral and Spiritual Care (continued)

Retreat Ministry (continued)

Fortunately, the Chancellor brought in the Furlough Scheme, so all the contracted staff were happy to be offered furlough. The Province Trustees agreed to top up the remaining 20% of their salaries from the Province Crisis Fund.

Although the Briery was in lockdown, they began to think of ways in which they could reach people using technology such as Zoom. A Thursday meditation group was set up in April 2020 and has continued on a weekly basis with an attendance of 25 to 40 people each week. This is run by the lay retreat leaders, who take it in turn to lead the sessions.

Realising how isolated people were becoming in lockdown, they also set up an Ilkley Catholic WhatsApp group, to which people posted reflections, poetry and pictures or simply asked for prayers. It began with Ilkley Catholics but very soon became ecumenical, reaching far and wide.

Towards the end of March 2020, one of the retreat leaders suggested setting up some kind of support system for many people who were bereaved and isolated due to the Covid-19 restrictions. After consultation with the Bishop of Leeds, Rt Rev Marcus Stock, and many online meetings with people who were interested, a core group has worked hard to set up the Elizabeth Prout Bereavement Support Group, under the patronage of the Foundress of the Sisters of the Cross and Passion. This is a joint venture with the Diocese of Leeds and the Briery Retreat Centre. This group will operate as a separate charity, but is supported by online training from the Briery, and a grant of £1,000 has been given by the Province to cover their initial expenses.



In December the retreat leaders worked with a group, *Growing Old Gracefully*, and prepared two very beautiful online liturgies; Christmas being the theme of the first one and the second was remembering those who had died during this Covid year. When the lockdown restrictions were lifted at the beginning of July 2020 they were prepared to open up again, but the Preached Retreat was cancelled. However, on 3 August an eight day Individually Guided Retreat with 22 participants did go ahead. The Briery has ensuite rooms, plus a large dining room and chapel, which enabled social distancing to be maintained. An enormous amount of work went into the preparation for this retreat; risk assessments with the necessary signage, sanitisers, serving and cleaning systems were put in place. The evaluation of the retreatants was a wonderful testimony to the hard work which had been done to ensure everyone was safe. However, there was only one other booking, a Mindfulness day on 25 August, before the next lockdown.

Online work continued, with weeks of guided prayer given by recently trained prayer guides, supervised by the Briery retreat leaders. With the success of online retreats reaching a much wider number of people it is seen that one way forward is to provide hybrid retreats. With that in view, an IT specialist was hired to fit cameras in the conference room and chapel to facilitate live-stream events.



3 **Pastoral and Spiritual Care** (continued)

Retreat Ministry (continued)

In the words of the Retreat Director; *“as we go forward the future is uncertain, but thanks to the Government Furlough Scheme and the Province Crisis Fund, we have our well-trained staff ready and waiting to return to work. During the year the 3-bedroomed cottage received a make-over and our first guest arrived on 12 April 2021, the very day that restrictions for self-catering establishments was lifted!! Our admin staff have arranged for lateral flow tests so that our staff can have regular in-house tests. Hopefully, as more people have their vaccine and gain confidence, we will once again be faced with a full diary of events.”*

RETREAT CENTRE ACTIVITY DURING LOCKDOWN



The BRIERY – final NHS clap in the rain, and an Elizabeth Prout afternoon with tea!



The two sisters and staff in DRUMALIS planted the trees as the centre remained closed.



Celebrating the ending of the old year and the beginning of the new Celtic year at TEARMANN, Glendalough.

3 Pastoral and Spiritual Care (continued)

Retreat Ministry (continued)

Drumalis Retreat and Conference Centre is situated in Larne, Co Antrim, Northern Ireland. The Retreat Centre is located on a height above Larne overlooking Larne Harbour with easy access to the Antrim coast road and its stunning coastal scenery.



Drumalis Retreat and Conference Centre closed on a temporary basis on 23 March 2020, acting on medical advice and government guidance at the time. The housekeeping and dining room staff were put on furlough from 1 April 2020. Groundsmen, administrative and household management staff continued to work as normal. Where possible, those members of staff who could, worked from home. On 28 July 2020, a meeting was held to inform the staff on furlough that they were to be made redundant. The length of notice was in proportion to their years of service. All redundant staff received redundancy payments.

As many of the activities as possible were transferred to virtual access via Zoom. This was done in order to:

- sustain connection with as many of the people as possible who normally avail of Drumalis retreats, conferences and courses;
- complete courses which were interrupted by the house closure;
- use this initiative to expand their outreach as geographical proximity was no longer an issue;
- raise the profile of Drumalis, both nationally and internationally.

As time passed it became obvious that loneliness and isolation were problems that many people were experiencing. The Retreat Team therefore focussed on regular events, which built on the already existing sense of community among the Drumalis service users. These included virtual gatherings on a fortnightly basis for prayer and fellowship. The Drumalis Team have been available to offer pastoral care and support through telephone and other forms of communication within the restrictions in place. Keeping in mind the three focuses of the Drumalis mission statement - Spirituality, Ecology and Community Relations - the following are a selection of online events which were provided in relation to each focus:

Spirituality

- The Gospel of Matthew; Sister Dr Pamela Thimmes OSC – 4 day-long sessions
- The Gospel of John; Sister Dr Pamela Thimmes OSC – 8 half-day sessions
- Summer Directed Retreat; Drumalis Ignatian Retreat Team – 4, 5 & 7 days
- Growth in Prayer and Reflective Living; Drumalis Ignatian Spirituality Team - 30 evening sessions
- Lenten lockdown prayer: *A Lenten Journey through Ignatian Spirituality*; Marian Curran - 6 morning sessions
- Day of Prayer for Lent; Magdalen Lawlor SND and Tom McGuinness SJ
- Advent Day of Reflection; Sister Dr Pamela Thimmes

3 Pastoral and Spiritual Care (continued)

Spirituality (continued)

- Fratelli Tutti; Joan Chittister OSB – one of the Elizabeth Prout lectures
- *Pathways, Certificate in Christian Thought, Growth in Prayers and Reflective Living, The Gospel of Matthew* – courses which were underway at the time of closure were completed online.

Ecology

- Justice, Peace and the Integrity of Creation; Sister Margaret Rose McSparran CP and Sister Anne Harnett CP – 2 half day sessions
- A Message of Hope and Challenge in a Time of Global Emergency; another of the Elizabeth Prout Memorial lectures delivered by Sister Nellie McLaughlin
- Partnership with A Rocha suspended for the duration of lockdown, to be resumed whenever it is possible. A Rocha UK works with individuals and communities,



encouraging them to think about their use of the environment and develop practical ways to care for the planet, locally and globally. The partnership included the presence of an intern working on the grounds of Drumalis, and that had to be stopped during the lockdown.

- One member of Drumalis has completed a training course to qualify as a Global Climate Animator. Drumalis continues to participate in the Eco Congregations Ireland activities.
- The plan for the Environment Group to plant 200 trees to commemorate the bicentenary year of the birth of Elizabeth Prout, the Foundress of the Cross and Passion Sisters, had to be postponed. The trees were to be provided by the Woodland Trust, who were unable to access and deliver them during the pandemic restrictions. This plan will be revived when the restrictions are lifted.

Community Relations: Public Theology

- Is there life after Covid? The Search for Meaning and Moral Values; Dr Johnston McMaster supported by the Community Relations Council of Northern Ireland – 8 evening sessions
- Let Justice Well Up Like Water; a continuation of the previous series – 8 evening sessions
- Where in the World is God? Dr Johnston McMaster, as part of the Certificate in Christian Thought Adult Faith Development course - 4 half day sessions
- An Overview of Church History; Paschal Scallon, as part of the above course - 1 session
- Ecumenism; Dr Johnston McMaster, as part of the Pathway Adult Faith Development course – 1 half day session

In the words of one of the Retreat Team;

“Our experience was that we were largely successful in sustaining contact with many of the people who normally avail of Drumalis retreats, courses and conferences. Whereas there was a general consensus that the virtual experience was not the equivalent of the real experience, it seemed that

3 Pastoral and Spiritual Care (continued)

Community Relations: Public Theology (continued)

many people appreciated it as a good second best. We completed the courses which were underway at the time of closure and have recruited new in-takes for the academic year 2020-21. We did, however, lose participants who were unable to transfer to Zoom.

We significantly expanded our outreach in that people signed up for various events from the USA, all over England, Scotland and Ireland, South Africa and Switzerland. As a result we feel that our profile has been raised quite significantly.

In an unexpected way it could be said that the global pandemic has opened up new possibilities for us and called us into new ways of responding to the needs of our world today and expanding our outreach.”

One of the Trustees sits on the Drumalis Board, along with the two sisters who work there. Serious consideration is being given as to how the work of Drumalis can be carried into the future.

Minsteracres Retreat Centre is a Passionist, community-based retreat centre situated in Northumberland. Minsteracres, like the other retreat centres, provides a space where people are enabled to find healing and wholeness in their relationship with God, themselves, others and creation.



Minsteracres Retreat Centre

The Retreat Centre runs a large Outreach programme, which provides respite days/weekends for people on the margins of society. Some of the groups who come to Minsteracres on a regular basis are **Kinship Carers, Blue Sky Trust, Free the Way, Cancer Support, Justice First, Freedom from Torture**, to name but a few. This year we have given some financial support to the Outreach programme from our Crisis Fund, but in the past year all residential activity has ceased since March 2020.

One sister sits on the Board of Trustees. Meetings have taken place via Zoom.

Tearmann Spirituality Centre situated in Glendalough, Co Wicklow, is a small, self-catering Retreat Centre. Glendalough is a valley steeped in the Celtic monastic tradition and is a popular place of pilgrimage.



Tearmann Spirituality Centre

At Tearmann a number of different retreat programmes are offered. One sister has been involved with the retreat work here since its founding in 1993. However, like all retreat centres, any activity this past year has been done online, as the Centre has been closed to visitors.

3 Pastoral and Spiritual Care (continued)

Parish Work

The work done by parish sisters - visiting the sick and elderly, liturgical services, faith sharing groups, bereavement groups and programmes for preparation for Baptism and Confirmation - was affected by the lockdown restrictions which were put in place in March 2020. When churches were closed, a lot of parish work was done online and the sisters joined in as best they could. Some kept in touch with the elderly by telephone, WhatsApp, Zoom or email. There has been a noticeable increase in requests for prayers coming into all our sisters, who see this as an invaluable service to the wider community. Parish sisters are in Belfast, Ballycastle, Halifax, Liverpool and Sutton St Helens.

Associates

Like our parish sisters the work of our associates has also been curtailed by lockdown restrictions. Congregational events, at which we would normally meet, had to be cancelled. One such event, which had been planned, was the celebration of the bicentenary of our Foundress' birth in September 2020. Sisters have kept in touch with our associates and look forward to the time when we can resume meetings and gatherings.

Hospital Chaplaincy

Three sisters work as hospital chaplains in Bolton, Sutton St Helens and London, two of whom are voluntary and one receives a stipend. This work had been curtailed because of the pandemic.

Spiritual Direction

A number of sisters have been trained in Spiritual Direction and offer their services in our retreat centres. When the retreat centres closed they continued to offer spiritual direction online. One sister is a Spiritual Director and Counsellor at St Luke's Centre, Manchester – "the Church's ministry of wellbeing and healing". Again, this sister has been working from home, in keeping with government guidance.



4 Social Care

At the heart of our Charism is a call to respond to the crises of our day which afflict the people around us, especially the poor or marginalised. Our Chapter mandated each sister to respond as well as she can to the needs of the area in which she lives and to grow in awareness of the global mission of the Congregation and support it, among other ways, in prayer. Given our age profile, we are no longer involved in social care as we once were. However, we do give financial support to this kind of work from our Crisis Fund. **(See section 5)**

A number of sisters are still involved directly, in a voluntary capacity, reaching out to people in need.

4 Social Care (continued)

Poverty, Homelessness, Hunger

One sister works as a volunteer in Dublin at the Capuchin Centre for the homeless and people with addictions. Another sister works with an inner city community development project, of which she was a founding member. Still in Dublin, another sister helps at the Barnardo Children's Home. In Belfast a parish sister supports St Patrick's Soup Kitchen and Rosemount, a project which operates from the parish to assist the hungry, homeless and addicted people of that area. Again these activities have been curtailed by the pandemic restrictions.

Asylum Seekers, Refugees and Migrants

For many years two sisters helped in the Destitute Project at the Victoria Hall in Bolton. Because of age and ill health they have both had to withdraw from the heavier work. Sadly Sister Barbara Sexton CP, one of the founding members, passed away in June 2020. She is missed and



remembered with great affection. This is one of the projects we continue to support financially and we were happy to hear that at the beginning of June 2020, during Volunteers Week, the Team at the Destitute Project was awarded the prestigious Queen's Award for Voluntary service (see photo above). Congratulations to all concerned. In spite of lockdown restrictions, they managed to distribute food parcels to the most needy. One of our Trustees attended the online AGM.

Another sister, who recently returned from our mission in Peru, helps in a refugee centre in Tallaght, Dublin. One sister teaches English at HELP (Harehills English Language Project). Some teaching has continued online.

Counselling and Community Care

Two sisters – trained psychotherapists – work as counsellors in their communities; one in Ballycastle, Co Antrim, and one with WAVE, Belfast, which provides support for those bereaved or traumatised by the “troubles”. In London one sister – a retired medical doctor - works as a bereavement counsellor. Again, most of this work has been done online or by telephone because of Covid restrictions.

5 Activities supported by our Crisis Fund

In 2017, when one of our houses became vacant, there were suggestions that we use the house for asylum seekers or homeless people. Considering the decline in numbers of our active sisters and on the advice of our financial team, it was decided to ring-fence the money from the sale of the property to support projects, run by others, which are trying to alleviate the sufferings of asylum seekers, the homeless and crisis situations which are brought to our attention.

5 Activities supported by our Crisis Fund (continued)

From this Crisis Fund we continue to support needs that are in line with our Charity Objectives and meet the guidelines we set out in our Financial Support Policy. At our Trustee meeting in March 2020, we agreed to extend our area of concern to the relief of needs created by the Covid-19 pandemic.

Asylum Seekers

During the year £10,000 was donated to projects helping asylum seekers with special care for:

- People whose application for asylum has been turned down and who now depend on charity while their applications are reconsidered;
- Churches Together, Liverpool;
- Beacon Project, Bradford.

6 Missions

Our mission outreach has always been a part of our Charism. Almost half of our sisters in the Province have had experience of working and living on our Missions. These Missions are now the responsibility of the CLT (Congregational Leadership Team). Our contributions to the Missions will therefore be channelled through the CLT.

However, a few years ago we received a legacy of £40,000 with specific instructions that it was to be used to help young people in Africa. With the emergence of Covid-19 we agreed the urgency of getting this bequest to a project to help people working in this pandemic situation. We did the necessary research and identified Tariro, a charity in Zimbabwe under the trusteeship of the Mirfield Anglican Community in West Yorkshire, which helps underprivileged children with care, education and training in life skills. We took advice from our F&GP committee and had their approval. We felt the work of this charity fulfilled the donor's wishes. It is also our experience that smaller, Church-based charities, who have people working in the places they are supporting, generally make good use of funding. At our Trustee meeting on 6 April 2020 we approved the funding of this charity and the money was transferred on 27 April 2020.

A report sent to us on 30 December 2020 reads: *“During the lockdown restrictions itself 17 young people in the house in Harare managed quite well – motivating each other to study and doing various common activities to keep mentally and physically fit. It helped that one of them is a sports coach and another just finishing off training as a doctor. In the rural areas, where the young people are more scattered, it was harder to keep in touch, though our colleagues did their best. Since the children went back to school we have provided them with extra books, coaching and IT equipment. This cost quite a bit, but it is worth the money. Despite the pandemic, we have some happy events to report: one young woman, Rumbidzai, finished her training as an occupational therapist and a young man Kundai, qualified as a doctor. Another young woman from the rural area, Talent, completed a University degree and is now doing a course in digital advertising. Her younger sister, Valentine, is doing well in an accountancy course at Mutare Polytech. One of our poorest areas is in Shurugwi, a very dry area in the centre of the country. We are delighted that four girls from there have done well enough to get into boarding school and are doing very well in their studies. We are pleased that a young man, Lameck, who got good A levels and could*

6 Missions (continued)

have gone to University, has elected instead to go to an excellent agricultural college so that he can learn to farm properly. Another young man, Dumisani, who graduated last year in food sciences, likewise wants to grow food so that people can eat better. With all the problems the world has with the climate change and the effects of Covid, it is really good that youngsters see they need to concentrate on feeding their people and taking care of them. Tariro has already started a piggery to help do this and to enable the charity to become more sustainable. They also hope to start a vegetable project once the restrictions allow. There is much more that could be said but I hope this will help assure you that the most generous legacy you gave us earlier this year is being put to good use and contributing to the transformation of many young people's lives."

7 Future Plans

The Charity's goals, and those of its successor charity, for 2021/22 are as follows:

- ◆ To encourage all sisters in their ministries, encouraging them to live by the Directives for Ministry, which we set ourselves at our Chapter in Larne, August 2016 and which we further developed at our Assembly, March 2017. To support all these ministries, our living out of these directives are detailed in Chapter Two of this report.
- ◆ To ensure the care of the sick and elderly by:
 - ◇ Encouraging them to care for their own wellbeing
 - ◇ Supporting them to live independently for as long as possible
 - ◇ Providing them with assisted living where possible
 - ◇ Continuing to provide for them in care communities where both their physical and spiritual needs are met.
- ◆ To continue to live out our Organic Participative Model of Leadership in the Province through Links and Priority Group meetings and through consultation and discernment. To support the way of communication agreed at our Chapter and which is so vital to this form of Leadership. Given our age profile, which in many cases restricts our ability to travel, to encourage and enable as many sisters as possible to use social media as a means of communication. One positive outcome of the Covid-19



restrictions was the installation and use of online facilities in our retreat centres and care communities. Since March 2020 this has become the main way of keeping in touch with our Sisters.

- ◆ To be faithful stewards of the work entrusted to us by:
 - ◇ Valuing the resources of the Province/Charity
 - ◇ Maintaining, developing, donating or selling property in a responsible manner.
 - ◇ Using the financial resources of the Province/Charity in a responsible manner. In all these matters listening to our advisors.

7 Future Plans (continued)

- ◇ Completing the remaining work of moving from a Charitable Trust to a CIO, most of which had been done by the end of March 2021. The work of the Province will be continued within the CIO.
- ◇ Ensuring that the committee in the Republic of Ireland, which was set up to be compliant with Irish Charity Law, is enabled to do its work. To this end a trustee from the CIO has been added to this committee.
- ◇ Be aware that all areas of management in the Charity and its successor charity will inevitably move to lay trustees, and begin to prepare for this.

CHAPTER THREE – Financial Review

Income

Income is generated through:

- ◆ Salaries
- ◆ Pensions
- ◆ Hospice care
- ◆ Retreats
- ◆ Charity shops
- ◆ Fundraising
- ◆ Room hire
- ◆ Bank deposit interest
- ◆ Investment income
- ◆ Donations, grants and occasional legacies

The majority of the sisters have given most of their working lives to the charitable activities of the Congregation. Where this work is for organisations independent of the Charity, any earnings are covenanted to the Charity and, in the future, will be covenanted to the successor charity.

Expenditure

Expenditure of the Charity comprises:

- ◆ The living and personal expenses of members of the Congregation and those costs incurred to enable them to carry out their individual ministry.
- ◆ Provision of nursing care for our sick and elderly sisters.
- ◆ Financial support to the Congregation's Missions and Central Administration.
- ◆ Donations to charities with objects that are consistent with those of the Charity itself.
- ◆ Those costs associated with the management of the Charity's investment portfolios and the compliance with regulatory and statutory requirements.

Financial Review (continued)

Tangible fixed assets

Tangible fixed assets consist mostly of buildings with their furniture, fittings and plant in our convents. As of March 2021 members of the Province and Region lived in 25 houses/flats, some of which were rented properties. These properties are in England and Ireland.

Results for the year

The consolidated statement of financial activities shows net expenditure before investment gains and prior to the transfer to the CIO of £3,219,391 (2020 - £1,401,842) with total income amounting to 14,502,031 (2020 - £15,501,415) and expenditure prior to the transfer amounting to £17,721,422 (2020 - £16,903,257). £48,103,832 was transferred to the CIO on 31 March 2021, giving total expenditure for the year of £65,825,254 and a net decrease in funds of £45,273,576.

Total income includes £1,520,750 (2020 - £1,636,711) of salaries and pensions of individual members of the Congregation which are donated to the Charity either by deed of covenant or by gift aid, £3,801,204 (2020 - £3,487,673) of other donations, legacies and similar income, £1,100,551 (2020 - £2,987,330) of income from charity shops and £5,839,403 (2020 - £3,970,022) being St Gemma's income from the Clinical Commissioning Group and Health Foundation. Other major categories of income include investment income and interest receivable, fundraising events and lotteries, and retreat and conference offerings.

Total expenditure includes expenditure on St Gemma's Hospice. The main expense of the hospice is staff costs which totalled £8,564,739 (2020 - £8,001,165) representing payments to the average staff count of 230 (2020 - 222). Other expenditure includes the personal and living costs of the members of the Congregation and their ministry, donations paid and the costs of administering the Charity.

Deducting expenditure from income for the year gives net income after investment gains for the year and prior to transfer to the CIO of £2,830,256 (2020 - net expenditure after investment losses £4,111,950).

Investment performance

The purpose of holding listed investments is to earn income to be used by the sisters in their ministries while carrying out the charitable work of the Congregation now and in the future.

Financial Review (continued)

Investment performance (continued)

The Congregation has discretionary investment agreements with Charles Stanley & Co Limited, Sarasin & Partners LLP and Rathbone Investment Management Limited. The trustees meet with the fund managers and financial advisers during the year to ensure that the funds are managed in accordance with the investment policy and the religious and ethical principles of the Congregation. The objective of the fund managers is to achieve a reasonable return of both income and capital growth with no more than a conservative to moderate level of risk.

The performance and structure of the principal portfolios continues to be closely monitored by the Finance and General Purposes Committee.

An income yield of 2.9% and a capital yield of 19.6% was achieved. At the end of the year the Charity's portfolio of listed investments comprised 46.01% unit funds, 26.36% UK equities, 6.44% UK fixed interest stocks, 16.45% overseas unit trusts, 3.59% alternative investments and 1.15% property.

The value of the listed investments prior to transfer to the CIO increased by £3,461,335 from a market value of £27,447,584 at the end of March 2020 to a value of £30,908,919 at the end of March 2021, a rise of 12.6%. Net investment disposals during the year amounted to £2,008,509 (2020 - £3,071,097). After transfer to the CIO on 31 March 2021 the overall value of the listed investments as at 31 March 2021 is £6,778,911.

Reserves policy

The Charity had, and now the successor charity has, a commitment to support members of the Congregation, many of whom continue to carry out charitable work long past the normal age of retirement. The sisters retire only because of ill health and/or old age and frailty. The trustees of the CIO accept responsibility for establishing an appropriate reserves policy to cater, in the first instance, for the medical care of the sisters now and in the future.

Prior to the transfer to the CIO, the funds set aside to provide for the sisters in later life, none of whom have resources of their own, were re-assessed during the year. The calculations, based on actuarial methods, indicate that £19.5 million is needed to be set aside in order to provide £20,000 per annum for sisters over 65 years of age and, because of the greater health needs, £30,000 to £40,000 per annum for sisters over 75 years of age and £40,000 to £50,000 for those over 90 years of age. However, the amount designated has been limited by the resources available and the fund, prior to the transfer to the CIO has been reduced by £4 million to £19 million.

The board of management of St Gemma's Hospice has adopted a reserves policy to maintain a minimum level of resources to ensure that the hospice can continue to provide its current level of services, having regard to possible fluctuations in income and expenditure. These reserves should exclude those amounts designated for the upkeep and renovation of the hospice and those funds already invested in tangible fixed assets.

Financial Review (continued)

Reserves policy (continued)

Total reserves of St Gemma's at 31 March 2021 were £12,886,778 (2020 - £11,744,272) of which £4,279,138 (2020 - £3,979,809) had been designated by the Board of Management for the continuing upkeep and renovation of the hospice.

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 and its commitments, the level of free reserves should be up to an amount equal to annual unrestricted expenditure.

Financial position

Before the transfer to the CIO, the consolidated balance sheet showed total reserves of £67,331,820 at 31 March 2021 (2020 - £64,501,564). After the transfer to the CIO of £48,103,832 on 31 March 2021, the consolidated balance sheet shows total reserves of £19,227,988 at 31 March 2021.

Before the transfer to the CIO, included in total funds was an amount of £12,886,782 (2020 - £11,744,276) which is restricted. These funds, which include all funds relating to St Gemma's Hospice, include other monies that have either been raised for, and their use restricted to, specific purposes or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 16 to the accounts, together with an analysis of movements in the year.

Before the transfer to the CIO, an amount of £19,000,000 (2020 - £23,000,000) represented the future healthcare of sisters fund, which has been designated to provide for sisters in their retirement. The fund was transferred to the CIO.

Before the transfer to the CIO, an amount of £160,305 (2020 - £165,305) represented the funds designated for making donations at times of crisis. The fund was transferred to the CIO.

Before the transfer to the CIO, an amount of £2,044,592 (2020 - £2,049,323) represented the programme related investments fund. After transfer to the CIO of £134,646, £1,909,946 remains in the Charity at the year end. More details can be found in note 17.

Before the transfer to the CIO, the tangible fixed assets fund totalled £27,829,713 (2020 - £25,825,835) and represented those tangible fixed assets not financed out of restricted funds or used by St Gemma's Hospice. After transfer to the CIO of £18,263,260, £9,566,453 remains in the Charity at the year end.

Funds which are available to support the work of the sisters in the future are those shown on the consolidated balance sheet as general funds. Before the transfer to the CIO, these amounted to £8,208,324 at 31 March 2021 (2020 - £1,716,825). £456,735 was transferred to the CIO, leaving £7,751,589 remaining in the Charity at 31 March 2021. These are deemed adequate in the case of both the charity and its successor charity in the light of current economic and political uncertainties and the challenges presented by Covid-19.

CHAPTER FOUR – Policies and Compliance with Charity Requirements

1 Property

Sales and Donations

Two houses, one in London and one in Ballycastle, Northern Ireland are currently on the property market and have been retained by the Charity rather than transferred to the successor charity.

The transfer of Cross and Passion College, Kilcullen land to the Le Chéile Trust, is nearing completion.

St Gabriel's Hall and Woodthorpe

These are two adjoining properties. These properties had been leased as Halls of Residence to Manchester University until September 2019 when the lease was not renewed and the properties were vacated. We received £385,000 in dilapidations from the University. On the advice of our property advisor and solicitors we engaged Cushman and Wakefield to review how this resource could best be used to meet the objects of the Charity going forward. It was decided that the best option was to sell this property. Negotiations are in progress. We have identified a buyer and are preparing to exchange contracts for the purchase of the site. These properties have been retained by the Charity rather than transferred to the successor charity.

St David's Hall

St David's Hall is also a vacant property adjoining St Gabriel's Hall and has been retained by the Charity rather than transferred to the successor charity. We are including this property in the same sale.

Ongoing development

St Gemma's Hospice

A long term lease for the transfer of the whole property from the Charity to the Hospice, including the convent, is nearing completion.

Maintenance

By its nature this is never ending.

- ◆ **East Holme:** Repairs to leaks in the roof of the main house have been completed. Work to repair wood in the veranda and the conservatory roof has been completed. A freezer and kitchen equipment has been replaced, as well as an upstairs bath. Lift maintenance and servicing of machinery is a recurring expense. The installation of extra CCTV cameras ensures that all entrance and exit doors are monitored for the safety and security of the residents.
- ◆ **Elmleigh:** The flat roof, which had developed bad leaks, has been replaced. Lift repairs and servicing of machinery is a recurring expense. Garden development, including tarmacking and filling in potholes in the pathways for safe access to the gardens, has been completed.

1 **Property** (continued)

Maintenance (continued)

- ◆ **The Briery:** The three bedroomed cottage has been painted and some furniture has been replaced. A new door has been put on the garage in order to make it waterproof so that it could be used for storage of extra furniture, which had to be moved out of the dining room in order to provide social distancing. Money has been outlaid on the necessary signage, sanitisers, Personal Protection Equipment (PPE) and equipment to ensure that the Briery will be a safe place for visitors once the restrictions on hospitality are lifted.
- ◆ **Villa Pacis:** Because of Covid restrictions only necessary maintenance work was completed this year. The carpet in the lounge was replaced by more suitable floor covering. Some of the rooms were painted in preparation for new residents arriving to live there. The Wifi has been upgraded in order to give residents better access to internet connections. This has been a very important way of keeping in touch with the sisters during the lockdown restrictions.
- ◆ **Marino:** A fire safety report in August 2020 highlighted serious fire safety issues, which needed to be dealt with as quickly as possible. By the end of October, at very great expense, the building had been evacuated in preparation for a complete refurbishment which will meet Fire Safety Standards. A fire safety audit was commissioned with Goldsmith Engineering to assess the work which needs to be done. Val O'Brien & Associates, chartered building surveyors, have been engaged to oversee this work. Plans have been drawn up and approved, planning permission obtained, tenders received and evaluated and a contractor engaged to begin this work as soon as Covid restrictions are lifted. This property and other properties in Ireland have been retained by the Charity rather than transferred to the successor charity.
- ◆ **Declan Road:** The work of renovating this property, creating office space, additional shower and downstairs bedroom, heating system, painting, decoration and furnishing was completed by October 2020. It is now occupied.
- ◆ **Drumalis:** Parkview Cottage, one of the properties on the site, has been vacated so the insurance costs for a vacant building have increased. There are plans to refurbish this property. Planning permission and Listed Building consent has been obtained, which will remain valid until 2026.
- ◆ **Middleton Convent:** On 21 January 2020 part of the outside boundary wall on Stanycliffe Lane was demolished by a car driving into it. It was rebuilt in October 2020.
- ◆ **Duncan Terrace:** Painting of the exterior of the back of the house is completed.

Sisters are encouraged to be vigilant in the maintenance of houses for health and safety reasons, as well as general upkeep. PAT (Portable Appliance Testing) and Fire Risk assessments are carried out in our properties on a regular basis.

2 Policies, Reports and Plans

We reviewed our:

- Risk Management Policy
- Disaster Plan
- Safeguarding Policy
- Crisis Fund Policy
- GDPR Policy

We ensured that our Care Communities and our Retreat Centres all have Health and Safety Policies in place.

We compiled our:

- Annual Appraisal
- Province Action Plan
- Charity Annual Report and Accounts (UK)
- Charity Commission Annual Report (Republic of Ireland)

3 Safeguarding

The Trustees of the Charity and successor charity are committed to implementing the policies and procedures of the Catholic Safeguarding Advisory Service (CSAS) and the National Board of Safeguarding Children in the Catholic Church in Ireland (NBSCCC). Two sisters in Ireland (North and ROI) are delegated to represent the Province. Two sisters are delegated in England to represent the Province. They attend the meetings relating to safeguarding in their respective areas. We ensure that our policies and procedures are in accordance with statutory regulations of State and Church. Following the publication of the IICSA Report on Child Sexual Abuse in the Catholic Church in November 2020, there have been a number of commentaries and webinars – aids to understanding the Report. We continue to draw the attention of our sisters, in particular our Safeguarding leads, to these.

4 Archives

One sister is engaged full-time in preserving the archives of the Province. She ensures that all collections are sorted, carefully stored and remain confidential. She is also the archivist for the entire congregational archives. Finding a permanent home for the storage of our archives still remains one of our goals. 2020 was a year of cancelled events relating to celebrating the bicentenary of the birth of our Foundress, Elizabeth Prout. However, in January 2021 we received the good news from Rome that she has been declared Venerable, a public acknowledgment of her sanctity. Our archivist has been busy with publicity about this good news.

5 General Data Protection Regulation (GDPR)

With the help of our solicitors, we have drawn up an umbrella Data Protection Policy for the Charity and its successor charity, which covers the processing and control of data from four main areas: employment data; data relating to sisters in care; data relating to the users of our retreat centres and data kept on individual sisters in the province office. This policy is reviewed on an annual basis.

St Gemma's Hospice has its own Data Protection Policy. An IT security audit was completed in February 2018. All high-level remediation advice from the previous assessment has been actioned and none of the vulnerability discovered during the latest assessment is considered an immediate threat to the security of St Gemma's Hospice.

6 Investment Policy

The Charity's investments are managed by Sarasin & Partners LLP, Charles Stanley & Co Limited and Rathbone Investment Management Limited. Certain of the investments managed by Sarasin & Partners LLP and those managed by Rathbone Investment Management Limited have been retained by the Charity rather than transferred to the successor charity. There are no restrictions on the Charity's power or that of its successor charity to invest.

The Investment Strategy is set by the Trustees and takes into account income requirements, the risk profile and Investment Manager's views of the market prospects in the medium term. The policy is to maximise total return through diversified portfolios whilst providing a level of income advised by Trustees from time to time. During the year we were advised to move more stocks to equities as returns were more profitable.

There is also an Ethical Policy precluding any investment in any company which, after reasonable enquiry, clearly has significant profits from any activity whose objectives are contrary to ours and considered to be unjust or damaging to health and wellbeing. Serious consideration is being given to investing in "*green energy*" as a proactive way of disinvesting in fossil fuels.

The performance of the portfolios and the Charity's Investment Strategy are reviewed by the Trustees, who meet with the Investment Managers twice yearly. This will be continued by the successor charity.

7 Insurance

A review of the major risks to which the Province is exposed and of systems established to mitigate those risks is undertaken annually by the Trustees. The Province Bursar is in regular contact with insurers for Ireland (Arachas) and United Kingdom (Marsh Commercial).

8 Crisis Fund

Donations given to projects from our Crisis Fund are discussed, approved and recorded at our Trustee meetings. The agreement of three Trustees is needed to approve a donation. Due diligence is observed in checking the background details of the projects and those managing them. This includes alertness to possible scams. Acknowledgement is requested and accountability for any money given. At our annual Assembly sisters are appraised of donations which have been made and information shared on the projects which are supported.

Requests are sometimes made from the Congregational Leadership Team to assist the work of the Congregation in other parts of the world.

The sisters acknowledge, with gratitude, those who have given donations towards our Mission projects. Restricted donations go straight to the project for which the money has been given.

Whilst the Trustees give support to United Kingdom organisations, whose work is within the objects of the Charity or its successor charity, neither the Charity or its successor charity regard themselves as grant making entities and applications for grants are not invited.

9 Fundraising Policy

Income generation at St Gemma's is conducted by a team of fundraisers and retail staff directly employed by the Charity and led by the Director of Income Generation. No external professional fundraisers have been utilised during the year. The Hospice benefited from some relatively low value commercial participation partnerships with local companies which were managed by the Senior Fundraiser (Corporate) and governed by written agreements. St Gemma's Hospice is registered with the Fundraising Regulator. The Director of Income Generation is a member of the Institute of Fundraising and the whole Income Generation team are members of the National Association of Hospice Fundraisers. There have been no failures to comply with the standards set by these organisations.

The Trustees of the Hospice monitor the activities of the Income Generation Team via quarterly meetings of the Finance and Business Committee. The Chair of the Committee also meets monthly with the Chief Operating Officer and the Director of Income Generation.

Policies to protect vulnerable individuals are in place and all fundraisers are aware of their responsibilities in this area.

10 Continued Professional Development

For our own professional development and to keep ourselves updated with changes we have attended the following online courses and Zoom meetings:

| | |
|---|--------------------------|
| COREW, Leaders' Conference: | October 2020 |
| AMRI, Dublin – AGM: | September 2020 |
| English Bursar's Conference, Hertfordshire: | October 2020 |
| Irish Bursar's Conference, Dublin: | November 2020 |
| Safeguarding (UK): | Sept 2020; Feb, Mar 2021 |
| Safeguarding Dublin: | March 2021 |
| Insurance Meeting, Manchester: | January, March 2021 |

Trustee Training

| | |
|--------------|----------------|
| CRA, Dublin: | September 2020 |
|--------------|----------------|

Meetings for our own needs:

| | |
|--|-----------------------------------|
| F&GP Committee with input from Investment Manager: | July & Nov 2020; February 2021 |
|--|-----------------------------------|

| | |
|-------------|--|
| Solicitors: | March, April, June, August, Sept, Oct 2020; Jan, Feb, March 2021 |
|-------------|--|

| | |
|------------------|----------------|
| Auditors: | |
| Pre Audit | May 2020 |
| Audit | July 2020 |
| Audit Clearance: | September 2020 |
| Pre-Audit | March 2021 |

10 Continued Professional Development (continued)

Meetings related to our Ministry

| | |
|--|---|
| St Gemma's Hospice, Leeds: All Board meetings & 2 Strategy meetings | AGM - Dec 2020 |
| Le Chéile Trust, Dublin: | Oct 2020; Feb 2021 |
| Religious Orders in Education (ROE), London | December 2020 |
| Drumalis AGM | September 2020 |
| Minsteracres Board, Northumberland | May, July, Sept, Oct, Dec 2020; Feb 2021 |
| Leeds Trinity Patronal Feast | November 2020 |
| Global Catholic Climate Movement: | Feb, March 2021 |
| CCLA Investment: | January 2021 |

Investec Investments: March 2021

Internal Province Meetings

| | |
|-----------------------------------|---|
| Trustee and PLT meetings | Monthly |
| CLT/ACC | July, Sept, Nov, Dec 2020; Jan, March 2021 |
| Links Sisters with PLT | July, Nov 2020; Feb 2021 |
| PLT/Managers of Care Communities: | July 2020 |

Province Zoom with Sisters: Monthly

CHAPTER FIVE: Governance, Trustees' Responsibilities, Risk Management

1 Governance

Sisters of the Cross and Passion

In terms of Canon Law, at international level the Congregational Leadership Team (CLT) is the major spiritual and administrative body of the Congregation of the Sisters of the Cross and Passion. The administration of the CLT continues to be centred in the United Kingdom.

In keeping with the charitable work envisaged by the Trust Deed, the CLT often make donations to other charitable organisations. The finances of the CLT also incorporate the administrative and financial costs and the expenses incurred by the members of the team.

The Province Leadership Team (PLT) consists of the Provincial Leader and her Councillors, who are elected at a Provincial Chapter by members of the Province for a term of five years. The Province Leader is the highest authority in the Province and is its official representative. Her authority extends to all the sisters, communities and properties of the Province. The Provincial Leader and team are assisted in their work by the Provincial Bursar, who is now a lay woman, newly appointed in October 2019, and a group of sisters (Links Sisters), who represent smaller clusters of sisters. They meet the PLT three times annually and plan an annual assembly for all the sisters who can attend. This system allows for maximum participation in decision-making by all sisters throughout the Province.

1 Governance (continued)

Sisters of the Cross and Passion (continued)

In terms of Civil law, the Charity is governed by its own Trust Deed dated 25 March 1994 and is a registered Charity under the Charities Act 2011, Charity registration No 103843 (England and Wales). It is also a registered Charity in Scotland, Charity registration No SCO 38416 (Scotland) and in the Republic of Ireland, Charity registration No 20015893.

The Trustees of the Charity are the Congregational Leader, the Provincial Leader and Provincial Councillors, plus one Trustee appointed by the Congregational Leader. As all Trustees are members of the Congregation they have a detailed knowledge of the work of the Charity and of its structure. The Trustees, one of whom is the Canonical Bursar, are members of the Congregation and whilst their living and personal expenses are borne by the Charity, they receive no remuneration or reimbursement of expenses in connection with their duties as Trustees. On being appointed, new Trustees spend time with those Trustees leaving office. They also meet with the Congregation's legal, accounting, investment and property advisors in order to obtain a full briefing of their responsibilities and the Charity's position. They attend training courses and seminars where appropriate.

The names of the Trustees who served during the year are set out as part of the reference and administration details on page 1 of this annual report and accounts.

St Gemma's Hospice

St Gemma's Hospice was a subsidiary charity of the Charity until 31 March 2021, when membership was transferred to the CIO. It has its own Board of Governance. All six Trustees of the Sisters of the Cross and Passion are Trustees on the Board of St Gemma's. The Board is responsible for the overall direction and management of the Hospice, approves strategy and oversees its implementation.

The Board has approved a scheme of delegation under which the majority of operational management and decision making is delegated to the Chief Executive. The Chief Executive has a key role in the management and monitoring of service delivery, patient satisfaction, financial performance, the assessment and control of risk, and the prioritisation and allocation of resources.

The Chief Executive of the Hospice leads a Hospice Leadership Team (HLT) consisting of the Director of Nursing and Deputy Chief Executive, Director of Income Generation, Director of Medicine, Consultant in Palliative Care and Director of Corporate Services. The HLT has a strategic role in driving forward the Hospice and assisting the Chief Executive in discharging the duties delegated by the Board. It is the HLT that is in charge of challenging, leading, running and supporting the Hospice to achieve its aims.

The pay of the HLT is reviewed by the Board of Trustees, through the Remuneration Committee. The amount paid to members of the HLT is carefully considered, comparable to other roles in the market, and is benchmarked against other local hospices and national hospice reward and charity reward surveys and data. Best practice recommendations on setting remuneration, including those of the National

1 Governance (continued)

St Gemma's Hospice (continued)

Council for Voluntary Organisations (NCVO), are also taken into consideration. The levels paid are those necessary to ensure a well-run effective organisation in line with regulatory requirements. Competitive salaries also help the Hospice to attract, recruit and retain the best possible calibre of staff, in a fiercely competitive environment.

2 Trustees' Responsibility Statement

The Trustees are responsible for preparing the report of the Trustees and the 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, and in Scotland and the Republic of Ireland, 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 the Group and of the income and expenditure of the Group for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material 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, applicable Charity (Accounts and Reports) Regulations, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Irish Charities Act 2009 and the provisions of the Charity's Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. Throughout this report, in particular in Chapter Two, the Trustees have demonstrated how the Charity has been faithful to this. The activities of the Charity can be divided into five main areas, namely: education; health; pastoral and spiritual care; social care and projects we support financially.

3 Risk Management

Sisters of the Cross and Passion

The key risks for the Charity and its successor charity, as identified by the trustees, are described below, together with the principal ways they are mitigated:

◆ ***The age profile and health of the Sisters and future operation of the Charity.***

As of 31 March 2021 the Province has 85 members including the Region. The average age at 31 March 2021 was 80. There are 2 sisters over the age of 90 and 3 under the age of 70. There are no sisters under 60 in the Region. During the period April 2020 to March 2021, eight sisters have died. The trustees of the Charity and of the CIO are aware that there is both a moral and legal obligation to care for the older sisters. None of the sisters have resources of their own, as all earnings, pensions and other income have been donated to the Charity under a gift aid compliant with Deed of Covenant. In future, such income will be donated to the CIO.

Key elements of the management of this risk are:

- ◇ ensuring that the Charity and successor charity has available financial resources to finance this care, both now and in the years ahead, by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and
- ◇ ensuring that processes are in place to review regularly the ministries and needs of individual sisters, encouraging those who need it to take on less demanding ministries and identifying those who need extra care and help.

◆ ***The value of investments and properties.***

The value of listed investments 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 investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs and those of its successor charity, both now and into the future.

◆ ***Reliance on key staff and the need for succession planning.***

Advice is taken on investment management, accountancy, actuarial, architectural, legal and business matters from lay professionals. The Finance & General Purposes Committee meets three times a year, with sub-committees meeting when necessary. The Committee monitors risks and the Risk Management Policy and refers matters to the PLT for consideration.

A review of major risks to which the Province is exposed and the systems established to mitigate those risks is undertaken annually by the Trustees. The Province Bursar is in regular contact with our insurers: Marsh Commercial in the UK and Arachas in the Republic of Ireland. A Zoom meeting was held with Marsh Commercial in Manchester in February 2021.

3 Risk Management (continued)

Sisters of the Cross and Passion (continued)

During their pastoral visits, the Trustees continue to monitor the major risks to which the Charity and its successor charity may be exposed and systems are investigated and established to mitigate these risks. Since the lockdown in March 2020, meetings with sisters and staff have been conducted by Zoom. The Trustees attended various online courses during the year to keep abreast of any developments. See Chapter Four for a list of those courses.

St Gemma's Hospice

The Trustees of the Hospice undertake an annual review of the principal risks and uncertainties that the Hospice faces, categorising them under the following headings:

Governance and management – this includes the risks involved in changes in the Hospice Leadership Team or the Board which might create a lack of direction; lack of skills and training among members of staff and the poor use of its resources.

Operational – these are risks inherent in the Hospice activities including the operation of the Hospice; the unsuitability of buildings; poor maintenance, shortcomings in the services provided, difficulties with staff; poor health and safety; lack of disaster recovery plan etc.

Financial – these risks include those arising as a result of poor budgetary control; inappropriate spending; poor accounting; inappropriate investment policy etc.

Reputational – these are risks that might result from damage to the Hospice's reputation.

Regulatory – these include those risks outside the Hospice's control such as changes in government policies; and non-compliance with laws and regulations.

The Board of St Gemma's Hospice assesses and reviews the management of the major risks to which the Hospice is exposed. There is a risk framework to support the identification and management of key risks and ensure risk management is an integral part of planning, decision-making and the day-to-day operations of service delivery. This framework incorporates procedures and processes and identifies clear roles and responsibilities in the reporting and management of key risks.

The risk register is developed by the Hospice Leadership Team and is scrutinised by the relevant Committees and Board on a quarterly basis. The Chief Executive prepares an Annual Governance Statement (AGS) which identifies how the Hospice ensures effective governance and risk management in compliance with the Voluntary Code of Good Governance framework.

3 Risk Management (continued)

Sisters of the Cross and Passion (continued)

From a Covid-19 perspective, risk mitigation has centred on limiting the introduction of the virus to the Hospice, including the management of patients admitted with potential infection, the infection or potential infection of staff, and staff shortages due to isolation procedures. Controls have been introduced to significantly reduce footfall. This has meant not permitting visitors to inpatients other than one person at the end of life, and not allowing any commercial visitors or volunteers.

Securing adequate PPE has been challenging across the healthcare sector, but St Gemma's has been able to procure sufficient supplies through a number of means such as active campaigning through the media, the support of the local community, and through some NHS commercial channels.

4 Summary and Acknowledgements

This report is a summary of the work of the Congregation. The accounts accompanying this report show the movement of funds for the year ended 31 March 2021.

We, the Trustees, acknowledge with gratitude the professionalism and commitment of all our staff, volunteers and the individual members of the Congregation. Their dedication, support and positive approach are very encouraging for us.

We wish also to record our thanks to the professional bodies on whose advice and expertise we rely.

Approved by the Trustees and signed on their behalf by:

Sr Therese O'Regan

Trustee

Approved by the Trustees on: 17/01/2022



Independent auditor's report to the trustees of Sisters of the Cross and Passion

Opinion

We have audited the financial statements of Sisters of the Cross and Passion (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Charity statement of financial activities the Group and parent charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2021 and of the group's and parent charity's incoming resources and application of resources 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 and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 151 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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 financial statements section of our report. We are independent of the [group and parent charity/charity] in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 group's or parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper and sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 36 the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent 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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team and component auditors:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charity operate in and how the group and parent charity are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are Charities SORP (FRS 102), Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the parent charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to

new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the CQC. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

All relevant laws and regulations identified at a Group level and areas susceptible to fraud that could have a material effect on the financial statements were communicated to component auditors. Any instances of non-compliance with laws and regulations identified and communicated by a component auditor were considered in our audit approach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Karen Musgrave
RSM UK Audit LLP
Karen Musgrave
Statutory Auditor
Bluebell House
Brian Johnson Way
Preston
PR2 5PE
Date: 18/01/22

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

Consolidated statement of financial activities Year to 31 March 2021

| | Notes | Un-restricted funds £ | Restricted funds £ | Total funds 2021 £ | Un-restricted funds £ | Restricted funds £ | Total funds 2020 £ |
|---|-------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| Income from: | | | | | | | |
| Donations and legacies | 1 | 1,695,592 | 3,626,362 | 5,321,954 | 1,732,742 | 3,391,642 | 5,124,384 |
| Investment income and interest receivable | 2 | 731,718 | 174,166 | 905,884 | 903,749 | 219,069 | 1,122,818 |
| Charitable activities | | | | | | | |
| . Provision of hospice care | 3 | — | 5,839,403 | 5,839,403 | — | 3,970,022 | 3,970,022 |
| . Retreat and similar income | | 44,547 | — | 44,547 | 666,757 | — | 666,757 |
| . Grants receivable | | 385,000 | — | 385,000 | 126,587 | — | 126,587 |
| Other trading activities | | | | | | | |
| . Income from charity shops | | — | 1,100,551 | 1,100,551 | — | 2,987,330 | 2,987,330 |
| . Room hire and rental income | | 2,066 | — | 2,066 | 155,445 | 24,644 | 180,089 |
| . Fundraising events and lotteries | | — | 695,819 | 695,819 | — | 1,040,716 | 1,040,716 |
| Other sources | | | | | | | |
| . Surplus on disposal of fixed assets | | 9,198 | — | 9,198 | 206,795 | — | 206,795 |
| . Miscellaneous income | | 148,528 | 49,081 | 197,609 | 75,917 | — | 75,917 |
| Total income | | 3,016,649 | 11,485,382 | 14,502,031 | 3,867,992 | 11,633,423 | 15,501,415 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| . Cost of raising donations | | — | 2,123,859 | 2,123,859 | — | 1,284,620 | 1,284,620 |
| . Fundraising activities including charity shops | | — | 1,231,466 | 1,231,466 | — | 2,302,714 | 2,302,714 |
| . Investment management costs | | 28,220 | 27,282 | 55,502 | 43,128 | 28,251 | 71,379 |
| Charitable activities | | | | | | | |
| . Provision of hospice care | 4 | — | 8,207,089 | 8,207,089 | — | 7,484,323 | 7,484,323 |
| . Donations and support of overseas missions | 5 | 117,510 | — | 117,510 | 136,614 | — | 136,614 |
| . Support of members of the Congregation and their ministry | 6 | 5,985,996 | — | 5,985,996 | 5,623,607 | — | 5,623,607 |
| | | 6,131,726 | 11,589,696 | 17,721,422 | 5,803,349 | 11,099,908 | 16,903,257 |
| Transfer to Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) and its subsidiary | 25 | 35,217,050 | 12,886,782 | 48,103,832 | — | — | — |
| Total expenditure | | 41,348,776 | 24,476,478 | 65,825,254 | 5,803,349 | 11,099,908 | 16,903,257 |
| Net expenditure before net investment gains (losses) | | (38,332,127) | (12,991,096) | (51,323,223) | (1,935,357) | 533,515 | (1,401,842) |
| Net investment gains (losses) | | 4,802,827 | 1,246,820 | 6,049,647 | (2,064,020) | (646,088) | (2,710,108) |
| Net expenditure and net movement in funds | 8 | (33,529,300) | (11,744,276) | (45,273,576) | (3,999,377) | (112,573) | (4,111,950) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2020 | | 52,757,288 | 11,744,276 | 64,501,564 | 56,756,665 | 11,856,849 | 68,613,514 |
| Fund balances at 31 March 2021 | | 19,227,988 | — | 19,227,988 | 52,757,288 | 11,744,276 | 64,501,564 |

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

All of the charity's activities derived from continuing operations until 31 March 2021. With effect from midnight on 31 March 2021, certain of the activities, transactions, assets and liabilities of the charity were transferred as a going concern to Sisters of the Cross and Passion CIO (the 'successor charity'), a Charitable Incorporated Organisation (CIO), Charity Registration Number 1185348 (see note 25).

Charity statement of financial activities Year to 31 March 2021

| | Notes | Un-restricted funds £ | Restricted funds £ | Total funds 2021 £ | Un-restricted funds £ | Restricted funds £ | Total funds 2020 £ |
|--|-------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| Income from: | | | | | | | |
| Donations and legacies | 1 | 1,695,592 | — | 1,695,592 | 1,732,742 | — | 1,732,742 |
| Investment income and interest receivable | 2 | 731,718 | — | 731,718 | 903,749 | — | 903,749 |
| Charitable activities | | | | | | | |
| . Retreat and similar income | | 44,547 | — | 44,547 | 666,757 | — | 666,757 |
| . Grants receivable | | 385,000 | — | 385,000 | 126,587 | — | 126,587 |
| Other trading activities | | | | | | | |
| . Room hire and rental income | | 2,066 | — | 2,066 | 155,445 | — | 155,445 |
| Other sources | | | | | | | |
| . Surplus on disposal of fixed assets | | 9,198 | — | 9,198 | 206,795 | — | 206,795 |
| . Miscellaneous income | | 148,527 | — | 148,527 | 75,917 | — | 75,917 |
| Total income | | 3,016,648 | — | 3,016,648 | 3,867,992 | — | 3,867,992 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| . Investment management costs | | 28,220 | — | 28,220 | 43,128 | — | 43,128 |
| Charitable activities | | | | | | | |
| . Donations and support of overseas missions | 5 | 117,510 | — | 117,510 | 136,614 | — | 136,614 |
| . Support of members of the Congregation and their ministry | 6 | 5,985,996 | — | 5,985,996 | 5,623,607 | — | 5,623,607 |
| | | 6,131,726 | — | 6,131,726 | 5,803,349 | — | 5,803,349 |
| Transfer to Sisters of the Cross and Passion CIO (Charity Registration Number 1185348) | | 35,217,049 | 4 | 35,217,053 | — | — | — |
| Total expenditure | | 41,348,775 | 4 | 41,348,779 | 5,803,349 | — | 5,803,349 |
| Net expenditure before net investment gains (losses) | | (38,332,127) | (4) | (38,332,131) | (1,935,357) | — | (1,935,357) |
| Net investment gains (losses) | | 4,802,827 | — | 4,802,827 | (2,064,020) | — | (2,064,020) |
| Net expenditure and net movement in funds | 8 | (33,529,300) | (4) | (33,529,304) | (3,999,377) | — | (3,999,377) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2020 | | 52,757,288 | 4 | 52,757,292 | 56,756,665 | 4 | 56,756,669 |
| Fund balances at 31 March 2021 | | 19,227,988 | — | 19,227,988 | 52,757,288 | 4 | 52,757,292 |

Balance sheets 31 March 2021

| | Notes | Group | | Charity | |
|--|-------|-------------------|-------------|-------------------|------------|
| | | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Fixed assets: | | | | | |
| Tangible assets | 12 | 9,566,453 | 28,997,543 | 9,566,453 | 25,825,835 |
| Investments | | | | | |
| . Listed investments | 13 | 6,778,911 | 28,424,642 | 6,778,911 | 23,104,241 |
| . Programme related investments | 13 | 1,909,946 | 2,049,323 | 1,909,946 | 2,049,323 |
| Total fixed assets | | 18,255,310 | 59,471,508 | 18,255,310 | 50,979,399 |
| Current assets: | | | | | |
| Stocks | | — | 17,361 | — | — |
| Debtors | 14 | 339,937 | 1,571,100 | 339,937 | 337,656 |
| Investments | | — | 2,013,491 | — | — |
| Cash at bank and in hand | | 647,085 | 2,464,165 | 647,085 | 1,610,786 |
| Total current assets | | 987,022 | 6,066,117 | 987,022 | 1,948,442 |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 15 | (14,344) | (1,036,061) | (14,344) | (170,549) |
| Net current assets | | 972,678 | 5,030,056 | 972,678 | 1,777,893 |
| Total net assets | | 19,227,988 | 64,501,564 | 19,227,988 | 52,757,292 |
| The funds of the Charity: | | | | | |
| Restricted funds | 16 | — | 11,744,276 | — | 4 |
| Unrestricted funds | | | | | |
| . Designated funds | 17 | 1,909,946 | 25,214,628 | 1,909,946 | 25,214,628 |
| . Tangible fixed assets fund | 18 | 9,566,453 | 25,825,835 | 9,566,453 | 25,825,835 |
| . General fund | | 7,751,589 | 1,716,825 | 7,751,589 | 1,716,825 |
| | | 19,227,988 | 64,501,564 | 19,227,988 | 52,757,292 |

Approved by the trustees
and signed on their behalf by:

Sr Therese O'Regan
Trustee

Approved on: 17/01/2022

Consolidated statement of cash flows Year to 31 March 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|--------------------|-------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | A | (2,395,691) | (2,000,659) |
| Cash flows from investing activities: | | | |
| Investment income and interest received | | 905,884 | 1,122,818 |
| Proceeds from the disposal of tangible fixed assets | | 6,000 | 329,822 |
| Purchase of tangible fixed assets | | (259,628) | (733,719) |
| Proceeds from the disposal of investments | | 4,252,495 | 3,464,263 |
| Purchase of investments | | (1,685,233) | (994,631) |
| Net cash provided by investing activities | | 3,219,518 | 3,188,553 |
| Change in cash and cash equivalents in the year | | 823,827 | 1,187,894 |
| Cash and cash equivalents transferred to Sisters of the Cross and Passion CIO (Charity Registration 1185348) | | (5,622,842) | — |
| Cash and cash equivalents at 1 April 2020 | B | 5,454,714 | 4,348,000 |
| Change in cash and cash equivalents due to exchange rate movements | | 132,636 | (81,180) |
| Cash and cash equivalents at 31 March 2021 | B | 788,335 | 5,454,714 |

Notes to the statement of cash flows for the year to 31 March 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) | (45,273,576) | (4,111,950) |
| Adjustments for: | | |
| Depreciation charge | 1,196,123 | 1,210,772 |
| (Gains) losses on investments | (6,049,647) | 2,710,108 |
| Investment income and interest receivable | (905,884) | (1,122,818) |
| Net deficit (surplus) on disposal of tangible fixed assets | 119,247 | (200,232) |
| (Increase) decrease in stocks | (865) | 1,065 |
| Decrease (increase) in debtors | 345,049 | (580,224) |
| Increase in creditors | 70,030 | 92,620 |
| Transfer to Sisters of the Cross and Passion CIO | 48,103,832 | — |
| Net cash used in operating activities | (2,395,691) | (2,000,659) |

B Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--|----------------|-----------|
| Cash at bank and in hand | 647,085 | 2,464,165 |
| Cash held by investment managers | 141,250 | 977,058 |
| Current asset investments | — | 2,013,491 |
| Total cash and cash equivalents | 788,335 | 5,454,714 |

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.

Principal accounting policies 31 March 2021

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 March 2021 with comparative information given in respect to the year to 31 March 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 the principles set out in 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), 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:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ the valuation of investments;
- ◆ allocation of support costs across charitable activities; and
- ◆ estimating the value of legacies to be recognised in accordance with FRS 102.

As set out in these accounting policies under “assessment of going concern”, the trustees have considered the impact of the pandemic on the Charity and have concluded that although there may be some negative consequences, it is appropriate for the Charity to continue to prepare its accounts on the going concern basis.

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 and have included in their assessment the fact that with effect from midnight on 31 March 2021 certain of the activities, assets and liabilities were transferred on a going concern basis to Sisters of the Cross and Passion CIO, Charity Registration Number 1185348 (the 'successor charity'). The transfer was in accordance with a legal transfer of undertakings dated 31 March 2021.

On the basis that certain of the activities of the charity will continue within Sisters of the Cross and Passion CIO and that the assets and liabilities were transferred on a going concern basis, the trustees of the charity have concluded that it is appropriate for the accounts to be prepared on a going concern basis.

The trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the Group and the Charity and have concluded that there may be some negative consequences such as greater volatility in the value of the Charity's listed investment portfolio and related income, loss of income from retreat centres, charity shops and fundraising events. However, the trustees are of the opinion that the Group and Charity will have sufficient resources to meet their liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next 12 months, the most significant areas that affect the carrying value of the assets held by the Group, Charity and successor charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Consolidated accounts

The accounts consolidate, on a line by line basis, the results of the Charity and its charitable subsidiary, St Gemma's Hospice, and the hospice's subsidiary, St Gemma's Hospice Services Limited, made up to the balance sheet date.

Income recognition

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

Income comprises donations and legacies, investment income and interest receivable, income from the provision of hospice care, retreat income, grants receivable, income from trading activities (including the operation of charity shops and income from fundraising events and lotteries) and miscellaneous income.

Income recognition (continued)

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

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

Gifts in kind and donated services are included at the lower of their value to the Charity and their estimated market value.

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.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

Contracts and service agreements in respect to the provision of hospice care are recognised to the extent that it is probable that the economic benefits will flow to the Charity and the revenue can be reliably measured. It is measured at fair value of the consideration received or receivable, excluding any relevant value added tax.

Income from the provision of retreats is recognised to the extent that it is probable that the economic benefits will flow to the Charity and the revenue can be reliably measured. It is measured at fair value of the consideration received or receivable, excluding any relevant value added tax.

Income recognition (continued)

Grants from government, NHS bodies, Clinical Commissioning Groups and from trusts and foundations have been included as income from charitable activities i.e. the provision of healthcare and related services where they amount to a contract for services but as donations where the money is given in response to an appeal or grant application or with greater freedom of use, e.g. for core purposes. Deferred income includes amounts received in respect of grants received for work to be carried out in the next financial year.

Funding from the Coronavirus Job Retention Scheme and other Covid-19 related grants is credited to the statement of financial activities when the Charity becomes entitled to the monies and when the amount receivable has been quantified.

Income received by way of fundraising events, lotteries and other trading receipts are credited in the accounts when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. These are shown gross before deductions of related expenses and net of VAT.

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

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. The classification between activities is as follows:

- a. Expenditure on raising funds comprises the salaries, direct costs and overheads incurred in soliciting donations, the costs associated with operating charity shops and the fees paid to investment managers in connection with the management of the Charity's listed investments, net of rebates received. Rebates arise when the fees deducted automatically through charges for common investment funds and related transactions exceed the fees agreed between the Charity and its investment managers.
- b. Expenditure on charitable activities comprises expenditure on the Charity's primary charitable purposes as described in the trustees' report and includes:
 - ◆ Expenditure incurred in the provision of hospice services including the costs of providing clinical, emotional and spiritual care to physically ill people of all races and creeds at St Gemma's Hospice.
 - ◆ Expenditure on provision of retreats to members of the public.
 - ◆ Charitable donations which relate, in the main, to the support of the Charity's missionary work overseas and the support of the Roman Catholic charitable organisations.

Expenditure recognition (continued)

- ◆ Expenditure on the support of the work of the sisters. Such expenditure enables the members to carry out the work of the Charity in the areas of the advancement of the Roman Catholic faith and the relief of poverty.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of indirect costs and governance costs

Indirect costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity and Group 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.

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

Indirect costs and governance costs are able to be allocated to the specific charitable activities to which they relate.

Tangible fixed assets

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

- ◆ Freehold land and buildings
Freehold land and buildings owned at 1 April 2016 are included in the accounts at their valuation as at that date. This valuation has been deemed cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions as of 1 April 2016 or later accounted for at cost. In prior years freehold land and buildings have been included in the accounts at a valuation based on existing use or depreciated replacement cost, depending on the nature of the property. Valuations were updated on a “rolling basis” with each property’s value being updated at least every five years.

Depreciation is provided at 2% per annum on a straight line basis to write the buildings off over their estimated useful life to the Charity.
- ◆ Improvements to leasehold properties
Improvements to leasehold properties are capitalised and depreciated at 5% per annum on a straight line basis.
- ◆ Plant, furniture and equipment
Expenditure on the purchase and replacement of items of plant, furniture and equipment, including computer equipment, is depreciated over a four to six year period on a reducing balance basis.
- ◆ Motor vehicles
Motor vehicles are capitalised and depreciated over a four to five year period on a reducing balance basis, in order to write off each vehicle over its estimated useful life.

Fixed asset investments

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

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

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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is 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 comprise the following:

- ◆ Freehold properties occupied at a peppercorn or nominal rent and used by other charitable and not-for-profit organisations for purposes consistent with the Charity's objectives. They are included at a value equivalent to their depreciated cost immediately prior to their reclassification from tangible fixed assets to programme related investments as at 31 December 2013. Their value is considered each year and any impairment is written off and treated as charitable expenditure in the statement of financial activities.
- ◆ Units in an investment vehicle promoting global justice by challenging people, churches and others to share their resources through socially responsible investments and by empowering disadvantaged people by providing them with credit. These are included on the balance sheet at cost with any diminution in value debited to the statement of financial activities.

Stocks

Stocks are valued at the lower of cost and net realisable value. Items donated for resale are not included in the accounts until they are sold.

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.

Current asset investments

Current asset investments represent monies invested in short-term liquid money market instruments.

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.

Creditors

Creditors 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 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 which may be applied at the discretion of the trustees.

The tangible fixed assets fund represents the net book value of the tangible fixed assets excluding those used by St Gemma's Hospice.

The designated funds are monies set aside out of general funds and designated for specific purposes, although the trustees may ultimately use such funds for other purposes.

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

Foreign currencies

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

Pension costs

Charity:

The Charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

Pension costs (continued)

St Gemma's Hospice operates two pension schemes:

- ◆ The National Health Service Superannuation Scheme, a defined benefit scheme which is only available to staff who have previously contributed to the scheme. The administration of this scheme is dealt with by the National Health Service agencies. Contributions to this scheme are paid in respect of current service, there is no liability to the hospice in respect of past service and the hospice has applied the multi-employer exemption under FRS 102 to account for the scheme as a defined contribution scheme.
- ◆ A Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life which is available to all employees.

Services provided by members of the Congregation

For the purpose of these accounts, no monetary value has been placed on the care, administrative and other services provided by the members of the Congregation.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

1 Donations and legacies

| Group | Unrestricted funds | Restricted funds | Total funds 2021 | Unrestricted funds | Restricted funds | Total funds 2020 |
|---|---------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ | £ | £ |
| Salaries and pensions of individual religious received under Gift Aid or deed of covenant | 1,520,750 | — | 1,520,750 | 1,636,711 | — | 1,636,711 |
| Legacies | — | 1,253,818 | 1,253,818 | — | 1,479,109 | 1,479,109 |
| Donations | 163,369 | 1,220,396 | 1,383,765 | 84,350 | 1,201,648 | 1,285,998 |
| Grants | — | 1,152,148 | 1,152,148 | — | 710,885 | 710,885 |
| Other voluntary income | 11,473 | — | 11,473 | 11,681 | — | 11,681 |
| Total funds | 1,695,592 | 3,626,362 | 5,321,954 | 1,732,742 | 3,391,642 | 5,124,384 |

All unrestricted funds for 2021 and 2020 relate to the Charity only. The Charity received no restricted donations and legacies in either year.

In 2021, grants include government grants of £270,781 (2020 - £450,000) relating to the Covid-19 retail grant scheme and Coronavirus Job Retention Scheme grants of £477,240 (2020 - £nil).

2 Investment income and interest receivable

| Group | Unrestricted funds | Restricted funds | Total funds 2021 | Unrestricted funds | Restricted funds | Total funds 2020 |
|--|---------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ | £ | £ |
| Income from listed investments | 729,891 | 161,915 | 891,806 | 901,395 | 192,054 | 1,093,449 |
| Interest receivable | | | | | | |
| . Bank interest | 1,191 | 12,251 | 13,442 | 951 | 27,015 | 27,966 |
| . Interest on cash held by investment managers | 636 | — | 636 | 1,403 | — | 1,403 |
| | 1,827 | 12,251 | 14,078 | 2,354 | 27,015 | 29,369 |
| Total funds | 731,718 | 174,166 | 905,884 | 903,749 | 219,069 | 1,122,818 |

All unrestricted funds for 2021 and 2020 relate to the Charity only. The Charity received no restricted investment income and interest receivable in either year.

3 Income from the provision of hospice care

| Group | Unrestricted funds | Restricted funds | Total funds 2021 | Unrestricted funds | Restricted funds | Total funds 2020 |
|-------------------------------------|---------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ | £ | £ |
| Clinical Commissioning Group income | — | 3,692,231 | 3,692,231 | — | 3,567,310 | 3,567,310 |
| NHS England – COVID 19 | — | 2,014,904 | 2,014,904 | — | — | — |
| Education and research | — | 92,369 | 92,369 | — | 141,382 | 141,382 |
| Bistro | — | 32,077 | 32,077 | — | 88,811 | 88,811 |
| Other income | — | 7,822 | 7,822 | — | 172,519 | 172,519 |
| Total funds | — | 5,839,403 | 5,839,403 | — | 3,970,022 | 3,970,022 |

4 Expenditure on the provision of hospice care

| Group | Unrestricted funds | Restricted funds | Total funds 2021 | Unrestricted funds | Restricted funds | Total funds 2020 |
|------------------------|---------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ | £ | £ |
| In-patient care | — | 5,639,547 | 5,639,547 | — | 5,041,526 | 5,041,526 |
| Community care | — | 1,286,881 | 1,286,881 | — | 1,158,045 | 1,158,045 |
| Day hospice | — | 564,859 | 564,859 | — | 611,685 | 611,685 |
| Bereavement support | — | 196,473 | 196,473 | — | 191,375 | 191,375 |
| Education and research | — | 519,329 | 519,329 | — | 481,692 | 481,692 |
| Total funds | — | 8,207,089 | 8,207,089 | — | 7,484,323 | 7,484,323 |

5 Donations and support of overseas missions

| Group and Charity | Unrestricted funds | Restricted funds | Total funds 2021 | Unrestricted funds | Restricted funds | Total funds 2020 |
|--|---------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ | £ | £ |
| Total funds: Grants to the Congregation's overseas missions | 117,510 | — | 117,510 | 136,614 | — | 136,614 |

6 Support of members of the Congregation and their ministry

| Group and Charity | Unrestricted funds | Restricted funds | Total funds 2021 | Unrestricted funds | Restricted funds | Total funds 2020 |
|---|---------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ | £ | £ |
| Sisters' living and personal expenses | 956,433 | — | 956,433 | 916,798 | — | 916,798 |
| Premises | 3,274,163 | — | 3,274,163 | 3,363,746 | — | 3,363,746 |
| Education, training and spiritual renewal | 255,907 | — | 255,907 | 588,405 | — | 588,405 |
| Administrative and similar costs | 1,103,239 | — | 1,103,239 | 676,550 | — | 676,550 |
| Other costs | 161,916 | — | 161,916 | 107,555 | — | 107,555 |
| Foreign exchange (gains)/losses | 166,011 | — | 166,011 | (89,759) | — | (89,759) |
| Governance costs (note 7) | 68,327 | — | 68,327 | 60,312 | — | 60,312 |
| Total funds | 5,985,996 | — | 5,985,996 | 5,623,607 | — | 5,623,607 |

7 Governance costs

| Group | Unrestricted funds | Restricted funds | Total funds 2021 | Unrestricted funds | Restricted funds | Total funds 2020 |
|------------------------|---------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ | £ | £ |
| Accountancy | 41,661 | — | 41,661 | 34,820 | — | 34,820 |
| Auditor's remuneration | | | | | | |
| · Statutory | 15,375 | 20,300 | 35,675 | 13,800 | 19,900 | 33,700 |
| · Non-statutory | — | 3,330 | 3,330 | — | 2,200 | 2,200 |
| Other St Gemma's costs | — | 51,526 | 51,526 | — | 40,824 | 40,824 |
| Bank fees and charges | 11,291 | — | 11,291 | 11,692 | — | 11,692 |
| | 68,327 | 75,156 | 143,483 | 60,312 | 62,924 | 123,236 |

7 Governance costs (continued)

The above governance costs have been allocated to the following activities:

| | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ | Unrestricted £ | Restricted £ | Total 2020 £ |
|--|-------------------------|-----------------------|--------------------------|-------------------|-----------------|--------------------|
| Raising funds | — | 16,914 | 16,914 | — | 14,802 | 14,802 |
| In-patient care | — | 45,961 | 45,961 | — | 38,999 | 38,999 |
| Community care | — | 4,900 | 4,900 | — | 4,884 | 4,884 |
| Day hospice | — | 3,883 | 3,883 | — | 1,570 | 1,570 |
| Bereavement support | — | 1,321 | 1,321 | — | 986 | 986 |
| Education and research | — | 2,177 | 2,177 | — | 1,683 | 1,683 |
| Support of members of the Congregation and their ministry | 68,327 | — | 68,327 | 60,312 | — | 60,312 |
| | 68,327 | 75,156 | 143,483 | 60,312 | 62,924 | 123,236 |

8 Net expenditure and net movement in funds

This is stated after charging:

| Group | Total 2021 £ | Total 2020 £ |
|---|--------------------|--------------------|
| Staff costs (note 9) | 10,867,026 | 10,350,779 |
| Auditor's remuneration | | |
| . Statutory | 35,675 | 33,700 |
| . Non statutory – taxation services | 2,200 | 1,100 |
| – reporting to Group auditors | 1,130 | 1,100 |
| Depreciation | 1,196,123 | 1,210,772 |
| Operating lease rental - land and buildings | 482,929 | 491,614 |
| Operating lease rental - equipment | 11,223 | 11,021 |

| Charity | Total 2021 £ | Total 2020 £ |
|------------------------|--------------------|--------------------|
| Staff costs (note 9) | 2,302,287 | 2,349,614 |
| Auditors' remuneration | | |
| . Statutory | 15,375 | 13,800 |
| Depreciation | 610,478 | 640,731 |

9 Staff costs and remuneration of key management personnel

| Group | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| Staff costs during the year were as follows: | | |
| Wages and salaries | 9,462,932 | 9,043,552 |
| Social security costs | 783,792 | 725,631 |
| Other pension costs | 620,302 | 581,596 |
| | 10,867,026 | 10,350,779 |

9 Staff costs and remuneration of key management personnel (continued)

| Charity | 2021 | 2020 |
|--|------------------|-----------|
| | £ | £ |
| Staff costs during the year were as follows: | | |
| Wages and salaries | 2,145,598 | 2,197,879 |
| Social security costs | 133,019 | 129,146 |
| Other pension costs | 23,670 | 22,589 |
| | 2,302,287 | 2,349,614 |

The number of employees who earned £60,000 per annum or more (excluding employer's pension contributions but including taxable benefits) during the year is shown below. All were employed at St Gemma's Hospice.

| Group | Total 2021 No. | Total 2020 No. |
|---------------------|-------------------------------|----------------------|
| £60,001 – £70,000 | 1 | — |
| £70,001 – £80,000 | 3 | 3 |
| £80,001 – £90,000 | 1 | — |
| £100,001 – £110,000 | 1 | 1 |
| £140,001 – £150,000 | 1 | — |
| £150,001 – £160,000 | — | 1 |
| | 7 | 5 |

As shown above, St Gemma's Hospice employs seven (2020 – five) individuals who have salaries over £60,000. Three (2020 – two) of these are medical consultants who are directly employed on NHS equivalent contracts, in line with national agreements. The others are members of the Hospice Leadership Team, responsible for running the Hospice. The Chief Executive is not the highest paid employee.

The average number of full time equivalent employees during the year was:

| | 2021 No. | 2020 No. |
|---------------------------------------|---------------------|-------------|
| St Gemma's Hospice | 230 | 222 |
| Support of sisters and their ministry | 134 | 140 |
| | 364 | 362 |

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

In terms of St Gemma's Hospice, the Charity's subsidiary, the board of St Gemma's Hospice is responsible for the overall direction and management of the hospice. The board has overall responsibility for ensuring the hospice is managed efficiently, approves the strategy and oversees its implementation. At 31 March 2021 there were five members of the board who were representatives of the Sisters of the Cross and Passion.

9 Staff costs and remuneration of key management personnel (continued)

The Chief Executive of the hospice leads a Hospice Leadership Team (HLT) consisting of the Director of Nursing and Deputy Chief Executive; Director of Income Generation; Director of Medicine and Consultant in Palliative Care; and Director of Corporate Services. The HLT has a strategic role in driving forward the hospice and assisting the Chief Executive in discharging the duties delegated by the board. It is the HLT that is in charge of challenging, leading, running and supporting the hospice to achieve its aims.

As explained in note 10 below, all Trustees and the Province Bursar are members of the Congregation and whilst their living and personal expenses are borne by the Charity they receive no remuneration or reimbursement of expenses in connection with their duties as Trustees.

The total remuneration (including taxable benefits, employer's pension contributions and employers' national insurance contributions) of the key management personnel of St Gemma's Hospice for the year was £494,000 (2020 - £496,000).

10 Trustees' expenses and remuneration and transactions with trustees

The Charity's Trustees are all members of the Congregation and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Congregation, are borne by the Charity. No Trustees received any remuneration or reimbursement of expenses in connection with their duties as Trustees (2020 – none).

As members of the Congregation, none of the Trustees have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant deed of covenant. During the year, the total amount donated by the Trustees to the Charity was £66,704 (2020 - £46,352).

The Trustees of St Gemma's Hospice did not receive any remuneration (2020 - none).

No Trustee of St Gemma's Hospice was reimbursed expenses during the year (2020 - £nil).

Indemnity insurance is provided for the Trustees of St Gemma's Hospice. Premiums paid during the period were £1,210 (2020 - £1,240). The cover is £5,000,000 (2020 - £5,000,000).

11 Taxation

The Sisters of the Cross and Passion 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.

The trading subsidiary of St Gemma's Hospice is liable to corporation tax on its taxable profits. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

12 Tangible fixed assets

| Group | Freehold land and buildings £ | Improvements to leasehold property £ | Plant, furniture and equipment £ | Motor vehicles £ | Total £ |
|---|--|---|---|------------------------|--------------------------|
| Cost or valuation | | | | | |
| At 1 April 2020 | 29,377,567 | 6,670,892 | 5,558,242 | 576,181 | 42,182,882 |
| Additions | — | — | 235,448 | 24,180 | 259,628 |
| Disposals | (120,000) | — | (184,049) | (57,343) | (361,392) |
| Exchange movement | (119,222) | — | (3,513) | (3,504) | (126,239) |
| | <u>29,138,345</u> | <u>6,670,892</u> | <u>5,606,128</u> | <u>539,514</u> | <u>41,954,879</u> |
| Transfer to Sisters of the Cross and Passion CIO | (18,023,202) | (6,670,892) | (5,490,634) | (436,752) | (30,621,480) |
| At 31 March 2021 | <u>11,115,143</u> | <u>—</u> | <u>115,494</u> | <u>102,762</u> | <u>11,333,399</u> |
| Assets at historic cost | <u>11,115,143</u> | <u>—</u> | <u>115,494</u> | <u>102,762</u> | <u>11,333,399</u> |
| | <u>11,115,143</u> | <u>—</u> | <u>115,494</u> | <u>102,762</u> | <u>11,333,399</u> |
| Depreciation | | | | | |
| At 1 April 2020 | 4,053,652 | 4,521,514 | 4,219,007 | 391,166 | 13,185,339 |
| Charge for year | 529,249 | 354,208 | 274,956 | 37,710 | 1,196,123 |
| On disposals | (17,402) | — | (171,743) | (47,000) | (236,145) |
| Exchange movement | (15,659) | — | (2,110) | (2,381) | (20,150) |
| | <u>4,549,840</u> | <u>4,875,722</u> | <u>4,320,110</u> | <u>379,495</u> | <u>14,125,167</u> |
| Transfer to Sisters of the Cross and Passion CIO | (2,922,327) | (4,875,722) | (4,248,871) | (311,301) | (12,358,221) |
| At 31 March 2021 | <u>1,627,513</u> | <u>—</u> | <u>71,239</u> | <u>68,194</u> | <u>1,766,946</u> |
| Net book values | | | | | |
| At 31 March 2021 | <u>9,487,630</u> | <u>—</u> | <u>44,255</u> | <u>34,568</u> | <u>9,566,453</u> |
| At 31 March 2020 | <u>25,323,915</u> | <u>2,149,378</u> | <u>1,339,235</u> | <u>185,015</u> | <u>28,997,543</u> |
| Charity | | | | | |
| | | Freehold land and buildings £ | Plant, furniture and equipment £ | Motor vehicles £ | Total £ |
| Cost or valuation | | | | | |
| At 1 April 2020 | | 29,377,567 | 1,669,810 | 516,454 | 31,563,831 |
| Additions | | — | 23,611 | 24,180 | 47,791 |
| Disposals | | (120,000) | (184,049) | (57,343) | (361,392) |
| Exchange movement | | (119,222) | (3,513) | (3,504) | (126,239) |
| | | <u>29,138,345</u> | <u>1,505,859</u> | <u>479,787</u> | <u>31,123,991</u> |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | | (18,023,202) | (1,390,365) | (377,025) | (19,790,592) |
| At 31 March 2021 | | <u>11,115,143</u> | <u>115,494</u> | <u>102,762</u> | <u>11,333,399</u> |
| Assets at historic cost | | <u>11,115,143</u> | <u>115,494</u> | <u>102,762</u> | <u>11,333,399</u> |
| | | <u>11,115,143</u> | <u>115,494</u> | <u>102,762</u> | <u>11,333,399</u> |
| Depreciation | | | | | |
| At 1 April 2020 | | 4,053,652 | 1,314,932 | 369,412 | 5,737,996 |
| Charge for year | | 529,249 | 51,424 | 29,805 | 610,478 |
| On disposals | | (17,402) | (171,743) | (47,000) | (236,145) |
| Exchange movement | | (15,659) | (2,110) | (2,381) | (20,150) |
| | | <u>4,549,840</u> | <u>1,192,503</u> | <u>349,836</u> | <u>6,092,179</u> |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | | (2,922,327) | (1,121,264) | (281,642) | (4,325,233) |
| At 31 March 2021 | | <u>1,627,513</u> | <u>71,239</u> | <u>68,194</u> | <u>1,766,946</u> |
| Net book values | | | | | |
| At 31 March 2021 | | <u>9,487,630</u> | <u>44,255</u> | <u>34,568</u> | <u>9,566,453</u> |
| At 31 March 2020 | | <u>25,323,915</u> | <u>354,878</u> | <u>147,042</u> | <u>25,825,835</u> |

12 Tangible fixed assets (continued)*Group and Charity*

Properties located in Great Britain and owed by the Charity at 1 April 2016 were revalued by Feather, Smailes & Scales, Auctioneers and Valuers, using an existing use value or depreciated replacement cost basis during March 2002, November 2003, April 2007, October 2008, August 2009, March 2011, March 2012, March 2013, March 2014 and March 2015. The basis of valuation was dependent on the nature of the property. The chief valuer was Michael Hare Bsc LL.M Dip Est Man (Tech) FRICS, FNAEA, FICBA.

Properties located in Ireland and Northern Ireland were revalued by Lisneys, Auctioneers and Valuers, using an existing use value basis during 2012.

The revaluations were part of a rolling programme that resulted in each property being revalued at least every five years. As explained under principal accounting policies, freehold land and buildings are included in the accounts at whatever their valuation was as at 1 April 2016 based on the above valuation. This valuation has been deemed cost under the transitional arrangements set out in FRS 102 and will apply going forward with additions as of 1 April 2016 or later accounted for at cost.

13 Investments

At 31 March 2021 fixed asset investments comprised:

| | Group | | Charity | |
|--|---------------------|------------|---------------------|------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Programme related investments (see a below) | 2,044,592 | 2,049,323 | 2,044,592 | 2,049,323 |
| Listed investments and cash held for re-investment (see b below) | 31,943,092 | 28,424,642 | 25,406,899 | 23,104,241 |
| | 33,987,684 | 30,473,965 | 27,451,491 | 25,153,563 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (25,298,827) | — | (18,762,634) | — |
| At 31 March 2021 | 8,688,857 | 30,473,965 | 8,688,857 | 25,153,564 |

a. Programme related investments

Two of the properties are not used directly by the Charity but they are used by other charitable and not-for-profit organisations for purposes consistent with the Charity's objectives. In some cases, rents are received but in other cases no formal rental agreement is in place. Therefore, the Trustees are of the opinion that the relevant land and buildings should be classified as programme related investments. In addition, the Charity holds units managed by Oikocredit International Share Foundation (Oikocredit) (see further information below).

13 Investments (continued)**a. Programme related investments** (continued)

| Group and Charity | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| At 1 April 2020 | 2,049,323 | 2,045,274 |
| Additions | 11,270 | 1,777 |
| Exchange movements | (16,001) | 2,272 |
| | 2,044,592 | 2,049,323 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (134,646) | — |
| At 31 March 2021 | 1,909,946 | 2,049,323 |

Immediately prior to transfer to the Sisters of the Cross and Passion CIO, programme related investments comprised:

| Group and Charity | 2021 £ | 2020 £ |
|--------------------------|-------------------|-------------------|
| St Gabriel's Hall | 134,430 | 134,430 |
| The Imani Centre | 1,775,516 | 1,775,516 |
| Oikocredit | 134,646 | 139,377 |
| | 2,044,592 | 2,049,323 |

As explained under principal accounting policies, the properties included above are included in the accounts at a value equal to their depreciated cost immediately prior to reclassification. Further details in respect to the programme related investments and their use is given below.

St Gabriel's Hall

St Gabriel's Hall was used during both 2020 and 2019 as a hall of residence by Manchester University. During both of these years it was a catered, all-girls hall comprising of about 100 residents, along with five tutors and the hall warden forming the pastoral team. The hall admitted undergraduate and postgraduate students. The lease on the property expired in 2018. On the advice of the Charity's property advisor and solicitors the Trustees engaged Cushman and Wakefield to negotiate with the University of Manchester and the lease was extended until September 2019, when the properties were vacated.

The Imani Centre

The Imani Centre was used during both 2020 and 2019 by the Imani Community Association, to promote the benefit of the inhabitants of Manchester and the neighbourhood together with local authorities, voluntary and other organisations and so advance education and provide facilities in the interests of social welfare. Specific activities include regular self protection sessions, fundraising functions, young people's groups and play schemes.

The property used by the Centre adjoins St Gabriel's Hall and is now also vacant following the expiry of the lease.

13 Investments (continued)**a. Programme related investments** (continued)*Oikocredit*

At 31 March 2021, prior to the transfer to the CIO, the Charity held units in funds managed by Oikocredit International Share Foundation (Oikocredit). Oikocredit is incorporated as a foundation under the laws of the Netherlands and has its registered office in Amersfoot, Netherlands. The trustees consider it to be a suitable vehicle in which to invest, being a world-wide co-operative society, promoting global justice by challenging people, churches and others to share their resources through socially responsible investments and by empowering disadvantaged people by providing them with credit. Oikocredit offers a dual return to the investor: social and financial. In addition to earning modest financial returns, investors are secure in the knowledge that their money is being used to fight poverty, promote fair trade and respect our planet's natural resources. As a result, the trustees believe it appropriate to regard these funds as programme related investments and they are included on the balance sheet at cost. The cost of the funds held at 31 March 2021 prior to transfer to the CIO was £134,646 (2020 - £139,377).

b. Listed investments and cash held for re-investment

| Group | 2021 £ | 2020 £ |
|---|--------------|-------------|
| Listed investments | | |
| Market value at 1 April 2020 | 27,447,584 | 32,623,856 |
| Additions at cost | 1,673,963 | 992,854 |
| Disposals at book value (proceeds: £4,252,495; gains: £570,023) | (3,682,472) | (4,063,951) |
| Exchange movements | (9,780) | 5,245 |
| Net unrealised investment gains (losses) | 5,479,624 | (2,110,420) |
| Market value at 31 March 2021 | 30,908,919 | 27,447,584 |
| Cash held by investment managers for reinvestment | 1,034,174 | 977,058 |
| | 31,943,093 | 28,424,642 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (25,164,182) | — |
| | 6,778,911 | 28,424,642 |
| Cost of listed investments | 20,896,555 | 22,153,562 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (16,149,452) | — |
| Cost of listed investments at 31 March 2021 | 4,747,103 | 22,153,562 |

Immediately prior to transfer to the Sisters of the Cross and Passion CIO, listed investments held, all of which were dealt in on a recognised stock exchange, comprised the following:

| Group | 2021 £ | 2020 £ |
|--|------------|------------|
| Fixed interest based common investment funds | 1,990,213 | 1,985,162 |
| Equities | 8,148,391 | 7,460,743 |
| Unit trusts | 14,219,943 | 12,703,302 |
| Alternative investments | 1,110,910 | 1,925,359 |
| Property | 355,376 | 436,584 |
| Overseas funds | 5,084,086 | 2,936,434 |
| | 30,908,919 | 27,447,584 |

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

Included in the investment portfolio was the following holding which, at 31 March 2021, had a market value which was deemed material in comparison with the market value of the total portfolio at that date:

| Group | 2021 Market value £ | 2021 Percentage of portfolio % | 2020 Market value £ | 2020 Percentage of portfolio % |
|--|------------------------------|---|------------------------------|---|
| Sarasin Endowments Fund (Income Units) | 14,219,943 | 46.01 | 12,703,302 | 46.28 |

| Charity | 2021 £ | 2020 £ |
|---|---------------------|-------------|
| Listed investments | | |
| Market value at 1 April 2020 | 22,208,169 | 26,715,312 |
| Additions at cost | 744,097 | 364,707 |
| Disposals at book value (proceeds: £2,946,598; gains: £378,987) | (2,567,611) | (2,718,921) |
| Exchange movements | (9,779) | 5,245 |
| Net unrealised investment gains (losses) | 4,423,838 | (2,158,173) |
| Market value at 31 March 2021 | 24,798,714 | 22,208,170 |
| Cash held by investment managers for reinvestment | 608,185 | 896,071 |
| | 25,406,899 | 23,104,241 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (18,627,988) | — |
| | 6,778,911 | 23,104,241 |
| Cost of listed investments | 16,228,541 | 17,485,548 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (11,481,438) | — |
| Cost of listed investments at 31 March 2021 | 4,747,103 | 17,485,548 |

Immediately prior to transfer to the Sisters of the Cross and Passion CIO, listed investments held, all of which were dealt in on a recognised stock exchange, comprised the following:

| Charity | 2021 £ | 2020 £ |
|--|-------------------|------------|
| Fixed interest based common investment funds | 1,088,781 | 1,248,959 |
| Equities | 5,371,773 | 4,934,935 |
| Unit trusts | 14,220,313 | 12,703,301 |
| Alternative investments | 674,340 | 599,821 |
| Property | 168,806 | 173,279 |
| Overseas funds | 3,274,701 | 2,547,875 |
| | 24,798,714 | 22,208,170 |

13 Investments (continued)

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

Included in the investment portfolio were the following individual holdings which, at 31 March 2021, had a market value which was deemed material in comparison with the market value of the total portfolio at that date:

| Charity | 2021 Market value £ | 2021 Percentage of portfolio % | 2020 Market value £ | 2020 Percentage of portfolio % |
|--|------------------------------|---|------------------------------|---|
| Sarasin Endowments Fund (Income Units) | 14,219,943 | 57.34 | 12,703,302 | 57.20 |

14 Debtors

| | Group | | Charity | |
|--|------------------|-----------|-----------------|-----------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Trade debtors | 2,428 | 3,763 | — | — |
| Income tax recoverable | 121,974 | 185,408 | — | — |
| Other debtors | 590,911 | 899,822 | 8,519 | — |
| Prepayments and accrued income | 510,738 | 482,107 | 341,919 | 337,656 |
| | 1,226,051 | 1,571,100 | 350,438 | 337,656 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (886,114) | — | (10,501) | — |
| | 339,937 | 1,571,100 | 339,937 | 337,656 |

15 Creditors: amounts falling due within one year

| | Group | | Charity | |
|--|--------------------|-----------|------------------|-----------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Expense creditors | 50 | 106 | — | — |
| Taxation and social security costs | 29,614 | 21,050 | 29,614 | 21,050 |
| Other creditors | 640,567 | 701,832 | 30,580 | 21,735 |
| Accrued expenditure | 435,860 | 313,073 | 178,878 | 127,764 |
| | 1,106,091 | 1,036,061 | 239,072 | 170,549 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (1,091,747) | — | (224,728) | — |
| | 14,344 | 1,036,061 | 14,344 | 170,549 |

16 Restricted funds

The income funds of the Group and Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes. With effect from midnight on 31 March 2021, the funds were transferred to Sisters of the Cross and Passion CIO.

| Group and Charity | At 1 April 2020 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2021 £ |
|--|--------------------------------------|---------------------|--------------------------|------------------------|---------------------------------------|
| Funding for missions – Mísean Cara | 4 | — | — | — | 4 |
| Charity total | 4 | — | — | — | 4 |
| <i>Hospice funds</i> | | | | | |
| Hospice general funds | 7,472,575 | 10,119,586 | (8,344,172) | (862,923) | 8,385,066 |
| <i>Earmarked funds</i> | | | | | |
| . Maintenance of the Hospice | 453,999 | — | — | (35,371) | 418,628 |
| . SOCP – future building plan | 150,000 | — | — | 200,000 | 350,000 |
| . IT development fund | 9,438 | — | — | (9,438) | — |
| . Service transformation fund | 141,634 | — | (27,529) | 248,506 | 362,611 |
| . Leadership and development | 46,479 | — | — | (46,479) | — |
| . Staff wellbeing | 6,552 | — | (4,525) | (2,027) | — |
| Tangible fixed assets fund | 3,171,707 | — | (585,645) | 211,837 | 2,797,899 |
| Digital development reserve | — | — | — | 250,000 | 250,000 |
| Covid response reserve | — | — | — | 100,000 | 100,000 |
| NHSE Covid fund | — | 2,014,904 | (2,014,904) | — | — |
| HMRC Job Retention Scheme | — | 417,641 | (417,641) | — | — |
| City wide education project | 12,138 | — | — | — | 12,138 |
| Clinical Commissioning Group funds | 29,358 | — | (1,548) | (1,441) | 26,369 |
| Other funds | 250,392 | 180,071 | (193,732) | (52,664) | 184,067 |
| | 11,744,276 | 12,732,202 | (11,589,696) | — | 12,886,782 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (11,744,276) | (12,732,202) | 11,589,696 | — | (12,886,782) |
| At 31 March 2021 | — | — | — | — | — |

| Group and Charity | At 1 April 2019 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2020 £ |
|------------------------------------|--------------------------------------|---------------------|--------------------------|------------------------|---------------------------------------|
| Funding for missions – Mísean Cara | 4 | — | — | — | 4 |
| Charity total | 4 | — | — | — | 4 |
| <i>Hospice funds</i> | | | | | |
| Hospice general funds | 7,329,374 | 10,489,506 | (10,236,440) | (109,865) | 7,472,575 |
| <i>Earmarked funds</i> | | | | | |
| . Investing in people | 881 | — | (881) | — | — |
| . Maintenance of the Hospice | 499,805 | — | — | (45,806) | 453,999 |
| . SOCP – future building plan | — | 150,000 | — | — | 150,000 |
| . IT development fund | 38,550 | — | — | (29,112) | 9,438 |
| . Service transformation fund | 237,361 | — | (84,798) | (10,929) | 141,634 |
| . Leadership and development | 50,000 | — | (3,521) | — | 46,479 |
| . Staff wellbeing | 25,000 | — | (18,448) | — | 6,552 |
| Tangible fixed assets fund | 3,425,694 | — | (570,041) | 316,054 | 3,171,707 |
| IPU refurbishment fund | 23,148 | — | — | (23,148) | — |
| City wide education project | 32,332 | — | (14,719) | — | 17,613 |
| Clinical Commissioning Group funds | 93,241 | — | (43,439) | (20,444) | 29,358 |
| Other funds | 101,459 | 347,829 | (127,621) | (76,750) | 244,917 |
| | 11,856,849 | 10,987,335 | (11,099,908) | — | 11,744,276 |

16 Restricted funds (continued)

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

- ◆ Funding for missions – Mísean Cara
The Charity received funding from Mísean Cara, an Irish government backed funding organisation. This funding was forwarded directly to sisters running various projects on behalf of the Congregation in Chile, Peru, Botswana and Bosnia.
- ◆ St Gemma's Hospice general funds
This fund represented the net assets of St Gemma's Hospice, which are not otherwise specifically restricted to purposes other than the general running and operation of the Hospice.
- ◆ St Gemma's Hospice earmarked funds
These funds represented monies set aside out of funds available to the hospice by its trustees for future maintenance and renovation work, for staff development needs and to support the ongoing service development needs of the hospice.
- ◆ St Gemma's Hospice tangible fixed assets fund
This fund represented the net book value of the tangible fixed assets used in the day to day work of the hospice.
- ◆ Digital development reserve and Covid response reserve
These funds were created to support the transformation programme.
- ◆ IPU refurbishment fund
The IPU refurbishment money was raised from a fundraising appeal in 2010/11. The fund will be used to improve the In-Patient Unit.
- ◆ City wide education project fund
The project is financed by NHS Leeds to improve the provision of palliative care education across the city in line with the End of Life Care Strategy.
- ◆ Clinical Commissioning Group funds
These funds represented monies received from the Clinical Commissioning Group for specified projects.
- ◆ Other funds for St Gemma's Hospice
These represented monies given towards specific projects or purposes within St Gemma's Hospice.

The funds held by St Gemma's Hospice are for use specifically for the purposes of providing palliative care. As such funds should be deemed restricted in the consolidated accounts regardless of how they have been classified in the accounts of St Gemma's Hospice.

17 Designated funds

The income funds of the Charity included designated funds which had been set aside out of unrestricted funds by the trustees for specific purposes. With effect from midnight on 31 March 2021, the funds were transferred to Sisters of the Cross and Passion CIO.

| Group and Charity | At 1 April 2020 £ | New designation £ | Utilised/ released £ | Transfer to CIO (note 25) £ | At 31 March 2021 £ |
|------------------------------------|----------------------|----------------------|----------------------------|--------------------------------|-----------------------|
| Future healthcare of sisters | 23,000,000 | — | (4,000,000) | (19,000,000) | — |
| Crisis donations | 165,305 | — | (5,000) | (160,305) | — |
| Programme related investments fund | 2,049,323 | 11,270 | (16,001) | (134,646) | 1,909,946 |
| | 25,214,628 | 11,270 | (4,021,001) | (19,294,951) | 1,909,946 |

| Group and Charity | At 1 April 2019 £ | New designation £ | Utilised/ released £ | At 31 March 2020 £ |
|------------------------------------|----------------------|----------------------|----------------------------|-----------------------|
| Future healthcare of sisters | 23,000,000 | — | — | 23,000,000 |
| Crisis donations | 213,905 | — | (48,600) | 165,305 |
| Programme related investments fund | 2,045,274 | 1,777 | 2,272 | 2,049,323 |
| | 25,259,179 | 1,777 | (46,328) | 25,214,628 |

The future healthcare of sisters fund consisted of monies which the Trustees set aside in order to provide for the sisters in later life. The calculations, based on actuarial methods, indicated that £23 million is needed to be set aside in order to provide £20,000 per annum for sisters over 65 years of age and, because of greater health needs, £30,000 to £40,000 per annum for sisters over 75 years of age and £40,000 to £50,000 per annum for those over 90 years of age. The amount designated has been limited by the resources available and the fund, prior to the transfer to the CIO has been reduced by £4 million to £19 million.

The crisis donations fund consisted of monies which the trustees set aside from the proceeds of the disposal of a property in Liverpool. The fund will be used to fund donations to projects, run by others, which are trying to alleviate the suffering of asylum seekers, the homeless and crisis situations.

The programme related investments fund has been designated to represent 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 the Imani Community Association, Manchester University and invested in Oikocredit International Share Foundation and therefore cannot be regarded as funds that would be available to meet future contingencies.

18 Tangible fixed assets fund

| Group and Charity | 2021 Total £ | 2020 Total £ |
|--|-----------------------------|-----------------------------|
| At 1 April 2020 | 25,825,835 | 26,104,828 |
| Net movement in year | (794,021) | (278,993) |
| | 25,031,814 | 25,825,835 |
| Transfer to Sisters of the Cross and Passion CIO (see note 25) | (15,465,359) | — |
| At 31 March 2021 | 9,566,453 | 25,825,835 |

The tangible fixed assets fund represents the net book value of the tangible fixed assets excluding those used by St Gemma's Hospice. A decision was made to separate this fund from the other funds of the Group and Charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the Group and Charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

19 Analysis of net assets between funds

| Group | General fund £ | Tangible fixed assets fund £ | Designated funds £ | Restricted funds £ | Total 2021 £ |
|---|-------------------------------|---|-----------------------------------|-----------------------------------|-----------------------------|
| Fund balances at 31 March 2021 are represented by: | | | | | |
| Tangible fixed assets | — | 9,566,453 | — | — | 9,566,453 |
| Investments | 6,778,911 | — | 1,909,946 | — | 8,688,857 |
| Net current assets | 972,678 | — | — | — | 972,678 |
| Total net assets | 7,751,589 | 9,566,453 | 1,909,946 | — | 19,227,988 |

| Group | General fund £ | Tangible fixed assets fund £ | Designated funds £ | Restricted funds £ | Total 2020 £ |
|---|-------------------------------|---|-----------------------------------|-----------------------------------|-----------------------------|
| Fund balances at 31 March 2020 are represented by: | | | | | |
| Tangible fixed assets | — | 25,825,835 | — | 3,171,708 | 28,997,543 |
| Investments | 104,241 | — | 25,049,323 | 5,320,401 | 30,473,965 |
| Net current assets | 1,612,584 | — | 165,305 | 3,252,167 | 5,030,056 |
| Total net assets | 1,716,825 | 25,825,835 | 25,214,628 | 11,744,276 | 64,501,564 |

19 Analysis of net assets between funds (continued)

| Charity | General fund £ | Tangible fixed assets fund £ | Designated funds £ | Restricted funds £ | Total 2021 £ |
|---|-------------------------------|---|-----------------------------------|-----------------------------------|-----------------------------|
| Fund balances at 31 March 2021 are represented by: | | | | | |
| Tangible fixed assets | — | 9,566,453 | — | — | 9,566,453 |
| Investments | 6,778,911 | — | 1,909,946 | — | 8,688,857 |
| Net current assets | 972,678 | — | — | — | 972,678 |
| Total net assets | 7,751,589 | 9,566,453 | 1,909,946 | — | 19,227,988 |

| Charity | General fund £ | Tangible fixed assets fund £ | Designated funds £ | Restricted funds £ | Total 2020 £ |
|---|-------------------------------|---|-----------------------------------|-----------------------------------|-----------------------------|
| Fund balances at 31 March 2020 are represented by: | | | | | |
| Tangible fixed assets | — | 25,825,835 | — | — | 25,825,835 |
| Investments | 104,241 | — | 25,049,323 | — | 25,153,564 |
| Net current assets | 1,612,584 | — | 165,305 | 4 | 1,777,893 |
| Total net assets | 1,716,825 | 25,825,835 | 25,214,628 | 4 | 52,757,292 |

The total unrealised gains as at 31 March 2021 constitute movements on revaluation and are as follows:

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Unrealised gains included above: | | | | |
| On investments | 10,012,364 | 5,294,021 | 8,570,174 | 4,722,622 |
| Total unrealised gains at 31 March 2021 | 10,012,364 | 5,294,021 | 8,570,174 | 4,722,622 |
| Reconciliation of movements in unrealised gains (losses) | | | | |
| Unrealised gains at 1 April 2020 | 5,294,021 | 8,949,866 | 4,722,622 | 7,662,707 |
| Less: in respect to disposals in the year | (751,501) | (1,550,670) | (566,507) | (787,158) |
| | 4,542,520 | 7,399,196 | 4,156,115 | 6,875,549 |
| Net gains (losses) arising on revaluation in the year | 5,469,844 | (2,105,175) | 4,414,059 | (2,152,927) |
| Total unrealised gains at 31 March 2021 | 10,012,364 | 5,294,021 | 8,570,174 | 4,722,622 |

20 Pension commitments

Charity:

The Charity offers its employees membership of a defined contribution pension scheme administered by the National Employment Savings Trust (NEST). Contributions to the scheme are debited to the statement of financial activities in the year in which they are payable to the scheme. The assets of the scheme are held by an independent corporate trustee, whose activities are governed by the National Employment Savings Trust Order 2010, made by the Secretary of State in exercise of powers confirmed under the Pensions Act 2008.

20 Pension commitments (continued)

St Gemma's Hospice operates two pension schemes:

- ◆ National Health Service Pension Scheme
A defined benefit scheme operated by the National Health Service Superannuation Scheme, which is only available to staff who have previously contributed to the scheme. The administration of the scheme is dealt with by the National Health Service Pension agencies. Contributions to this scheme are paid in respect of current service, and there is no liability to the hospice in respect of past service.
- ◆ Group Personal Pension Scheme
In addition there is a Group Personal Pension Scheme, which is a defined contribution pension scheme, administered by Standard Life which is available to all employees.

The charge to the consolidated statement of financial activities of £596,632 (2020 - £559,007) represents contributions to funds during the year. Contributions payable to the schemes at the year end date totalling £24,474 (2020 - £23,807) are included in creditors.

21 St Gemma's Hospice

The Charity had a wholly owned subsidiary, St Gemma's Hospice, a charitable company constituted as a company limited by guarantee, Charity Registration No. 1015941 and Company Registration No. 02773867 (England and Wales). The charitable company operates a hospice in Leeds providing palliative care, treatment or relief of people with active, progressive and advanced illnesses without regard to their means, culture, faith or belief. A summary of its results for the year is shown below. Audited accounts will be filed with both the Registrar of Companies and the Charity Commission.

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | 2021 Total funds £ |
|--|----------------------------|--------------------------|--------------------------|-----------------------------|
| Income: | | | | |
| Donations, legacies and trusts | 3,028,650 | — | 597,712 | 3,626,362 |
| Other trading activities | 1,845,450 | — | — | 1,845,450 |
| Investment income | 174,166 | — | — | 174,166 |
| Charitable activities | 3,824,499 | — | 2,014,904 | 5,839,403 |
| Total income | 8,872,765 | — | 2,612,616 | 11,485,381 |
| Expenditure: | | | | |
| Cost of raising funds | 3,284,316 | 98,292 | — | 3,382,608 |
| Charitable activities | 5,059,857 | 519,407 | 2,627,825 | 8,207,089 |
| Total expenditure | 8,344,173 | 617,699 | 2,627,825 | 11,589,697 |
| Losses on investments | 1,246,821 | — | — | 1,246,821 |
| Net income (expenditure) before transfers | 1,775,414 | (617,699) | (15,209) | 1,142,506 |
| Transfers | (862,923) | 917,028 | (54,105) | — |
| Net movement in funds | 912,491 | 299,329 | (69,314) | 1,142,506 |
| Reconciliation of funds: | | | | |
| Fund balances at 1 April 2020 | 7,472,574 | 3,979,809 | 291,889 | 11,744,272 |
| Fund balances at 31 March 2021 | 8,385,065 | 4,279,138 | 222,575 | 12,886,778 |

21 St Gemma's Hospice (continued)

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | 2020 Total funds £ |
|---|----------------------------|--------------------------|--------------------------|-----------------------------|
| Income: | | | | |
| Donations, legacies and trusts | 3,123,814 | — | 267,828 | 3,391,642 |
| Other trading activities | 4,052,690 | — | — | 4,052,690 |
| Investment income | 219,069 | — | — | 219,069 |
| Charitable activities | 3,740,022 | 150,000 | 80,000 | 3,970,022 |
| Total income | 11,135,595 | 150,000 | 347,828 | 11,633,423 |
| Expenditure: | | | | |
| Cost of raising funds | 3,517,606 | 97,979 | — | 3,615,585 |
| Charitable activities | 6,718,834 | 579,710 | 185,779 | 7,484,323 |
| Total expenditure | 10,236,440 | 677,689 | 185,779 | 11,099,908 |
| Losses on investments | (646,088) | — | — | (646,088) |
| Net (expenditure) income before transfers | 253,067 | (527,689) | 162,049 | (112,573) |
| Transfers | (109,865) | 230,207 | (120,342) | — |
| Net movement in funds | 143,202 | (297,482) | 41,707 | (112,573) |
| Reconciliation of funds: | | | | |
| Fund balances at 1 April 2019 | 7,329,372 | 4,277,291 | 250,182 | 11,856,845 |
| Fund balances at 31 March 2020 | 7,472,574 | 3,979,809 | 291,889 | 11,744,272 |

St Gemma's Hospice has an arrangement with Sue Ryder Care (Wheatfields) to operate a joint lottery for fundraising purposes, which is administered by Sterling Lotteries. The net income received during the year from the lottery was £92,323 (2020 - £107,802).

22 St Gemma's Hospice Services Limited

St Gemma's Hospice has a wholly owned subsidiary, St Gemma's Hospice Services Limited, a company incorporated in the United Kingdom and registered in England and Wales Company No. 03739423. The company undertakes trading activities including the sale of goods and the provision of room hire. A summary of its trading results for the year is shown below, the company donates its taxable profit to St Gemma's Hospice under Gift Aid. Audited accounts will be filed with the Registrar of Companies.

| | 2021 £ | 2020 £ |
|---|---------------|-----------|
| Profit and loss account | | |
| Turnover | 49,081 | 88,472 |
| Cost of sales | (12,514) | (36,260) |
| Gross profit | 36,567 | 52,212 |
| Administrative expenses | (634) | (1,832) |
| Management charge | (18,987) | (30,717) |
| Operating profit | 16,946 | 19,663 |
| Amount gift aided to St Gemma's Hospice | (16,946) | (19,663) |
| Retained in subsidiary | — | — |
| Aggregate capital and reserves | 2 | 2 |

23 Leasing commitments

Operating leases

At 31 March 2021, the Group and Charity had the following total future minimum lease payments under non-cancellable operating leases relating to land and buildings and office equipment:

| | Land and buildings | | Office equipment | |
|----------------------------|--------------------|-----------|------------------|-----------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Group and Charity | | | | |
| Within one year | 395,986 | 435,083 | 6,539 | 11,223 |
| Between one and five years | 680,165 | 758,651 | 7,327 | 13,866 |
| | 1,076,151 | 1,193,734 | 13,866 | 25,089 |

24 Ultimate control

The Charity, which is constituted as a trust, was controlled throughout the period by St Paul's Province of the Sisters of the Cross and the Passion by virtue of the fact that the members of the Congregation appoint the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Province are vested in the Trustees of the Charity, who undertake all transactions entered into in the course of the Province's charitable activities.

25 Transfer to Sisters of the Cross and Passion CIO

With effect from midnight on 31 March 2021, certain of the activities, assets and liabilities of the Charity were transferred to the Sisters of the Cross and Passion CIO, Charity Registration No. 1185348 in accordance with a legal transfer of undertaking deed dated 31 March 2021. The net assets at that date comprised:

| | 2021 £ |
|--|--------------------|
| Tangible fixed assets (note 12) | |
| . Cost | 19,790,592 |
| . Depreciation | (4,325,233) |
| | 15,465,359 |
| Fixed asset investments (including cash held by investment managers of £466,935) (note 13) | 18,762,634 |
| Debtors (note 14) | 10,501 |
| Cash at bank and in hand | 1,203,287 |
| Creditors: amounts falling due within one year (note 15) | (224,728) |
| | 35,217,053 |

25 Transfer to Sisters of the Cross and Passion CIO (continued)

The assets and liabilities were represented by the following funds:

| | 2021 £ |
|--------------------------------------|-------------------|
| Tangible fixed assets fund (note 18) | 15,465,359 |
| General funds | 456,739 |
| Restricted funds (note 16) | 4 |
| Designated funds (note 17) | 19,294,951 |
| | <u>35,217,053</u> |

26 Related parties

Other than the transactions detailed in note 10, there are no related party transactions that require disclosure.

27 Post balance sheet events

In July 2021, one of the charity's properties in Ballycastle, Northern Ireland was sold for gross proceeds of £286,000. In November 2021, one of the charity's properties in London was sold for gross proceeds of £1,650,000. The combined net book value included in these accounts in respect to the two properties disposed of was £1,115,200.