

**Saint Margaret's
Convent (SSM Chiswick)
CIO**

**Annual Report and
Consolidated Accounts**

Year ended 31 March 2022

Charity Registration Number 1188112
(England and Wales)

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Trustees	Miss Cynthia Boreham (Sister Cynthia Clare SSM) Miss Jennifer Goodeve (Sister Jennifer Anne SSM) Miss Pamela Groombridge (Sister Mary Paul SSM) Miss Shirley Jepson (Sister Sarah SSM) Miss Catherine Allen (Sister Mary Clare SSM)
Principal address	Saint Margaret's Convent c/o St Mary's Convent and Nursing Home Burlington Lane Chiswick London W4 2QE
Charity registration number	1188112
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Banker	National Westminster Bank plc 15 London Road East Grinstead West Sussex RH19 1EP
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Solicitor	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG

Report of the trustees 31 March 2022

The trustees present their report and the consolidated accounts of Saint Margaret's Convent (SSM Chiswick) CIO (the "charity" or the "CIO") for the year ended 31 March 2022. The accounts consolidate the accounts of the charity with those of its subsidiary St Mary's Convent and Nursing Home (Chiswick).

The accounts have been prepared in accordance with the accounting policies set out on pages 27 to 32 of the attached accounts and comply with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 (FRS 102).

Introduction

Saint Margaret's Convent is a Mother House of the Society of Saint Margaret (an Anglican religious order) founded in 1855 by John Mason Neale DD.

Saint Margaret's Convent (Chiswick), the predecessor charity, was registered as a charity on 9 April 1964 (Charity Registration No. 231926). It was administered and managed in accordance with the Scheme of the Charity Commissioners for England and Wales dated 31 March 2000.

With effect from midnight on 31 March 2020, in accordance with a legal transfer of undertakings and a resolution of the trustees, the activities, assets and liabilities of St Margaret's Convent (Chiswick) were transferred as a going concern to Saint Margaret's Convent (SSM Chiswick) CIO which was registered with the Charity Commission on 21 February 2020. Saint Margaret's Convent (SSM Chiswick) CIO commenced its charitable activities on 1 April 2020.

As of midnight on 31 March 2020, Saint Margaret's Convent (Chiswick) became dormant and it is expected that an application will be made to have that charity removed from the Central Register of Charities in due course.

Saint Margaret's Convent (SSM Chiswick) CIO is the parent undertaking of St Mary's Convent and Nursing Home (Chiswick) (St Mary's or "the charitable company"). St Mary's Convent and Nursing Home (Chiswick) is a company limited by guarantee (Company Registration Number 3959483 (England and Wales)) incorporated on 24 March 2000 and was registered as a charity (Charity Registration Number 1080751) on 16 May 2000. It was established under a memorandum of association which defined its objects and powers and is governed by its articles of association. The principal activity of the charitable company is the operation of St Mary's Convent and Nursing Home ("St Mary's"), situated in Chiswick, London.

Mission

The charity's object is the following of the religious life in the Church of England devoting every faculty of body, mind and spirit to God by responding to His call under vows of poverty, chastity, obedience and charity; and more particularly by carrying on various charitable works including the relief of those in need, the advancement of religion and the promotion of education.

Mission (continued)

The charity's aims are to support the sisters (the community) and enable them to carry out their religious and charitable work (including the promotion and maintenance of public worship and the promotion of religious teaching and spirituality) whilst ensuring those sisters in need of care are properly looked after.

The sisters' principal ministry today is to older people, through the provision of nursing and residential care via St Mary's. The aims of St Mary's are to provide excellent personal and nursing care to its 60 residents, in a homely environment, where they live as part of an extended Christian family, whilst also having the right to privacy and independence. This care is provided by skilled and dedicated staff, underpinned by the core values of the charity, recognising that each resident is an individual, thus enabling each individual to live their final years of life with dignity with the highest possible quality of life throughout their stay at the Home in a caring environment.

Objectives and activities and relevant policies

Objectives and activities

As stated above under "Mission", the aims of the charity are to care for individual members of the community throughout their lives and to support and enable them to carry out their religious and charitable work (including the promotion and maintenance of public worship and the promotion of religious teaching and spirituality) whilst ensuring those sisters in need of care are properly looked after.

Caring for members of the religious community

In common with many religious communities, the age profile of the members of the community is increasing as existing members grow older and the number of new vocations becomes minimal. Two sisters are in their 90s, four sisters are in their 80s, one is aged between 70 and 80 and one is aged between 60 and 70.

The charity has an obligation, both moral and legal, to provide care for the members of the community, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the care of the elderly, poor and marginalised in society. As the age profile of the community increases so too does the need to provide increasing and increasingly expensive care to the sisters.

At present two sisters live in independent flats in the Uckfield area, two members of the community are receiving care at St Mary's which is paid for on an arm's length basis, and four sisters live in a separate section of the property from which St Mary's operates. In this regard, the objectives of the trustees over the current year are summarised below. All of these objectives will continue to be applicable for the next few years also.

Objectives and activities and relevant policies (continued)

Objectives and activities (continued)

Caring for members of the religious community (continued)

- ◆ Ensuring all members of the community receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the community to continue with their individual ministries for as long as possible.

The promotion and maintenance of public worship, and witness to God, continuing the intention of our founder John Mason Neale

This objective continues to be fulfilled at St Mary's, in the chapel by the daily celebration of the Eucharist and Divine Office, with the chapel being available for the use of residents and staff as well as the community.

The promotion of religious teaching and spirituality

This objective continues to be fulfilled by:

- ◆ Educational work in schools, youth clubs and parishes, including individual tuition;
- ◆ Offering hospitality to resident guests and entertaining day guests who come for short periods of prayer and quiet;
- ◆ Assisting with private retreats;
- ◆ Provision of pastoral support and intercession for those in need;
- ◆ Provision of spiritual direction on a one-to-one basis;
- ◆ Pastoral visiting in the neighbourhood of Uckfield to establish contact;
- ◆ Participating in parish mission;
- ◆ Ecumenical outreach;
- ◆ Administering Holy Communion, both at the parish church and domiciliary visits.

The distinctive role of Saint Margaret's Convent (Chiswick) as the Mother House is to:

- ◆ Act as the administrative centre of the religious community's business and financial affairs;
- ◆ Maintain the community's archives;
- ◆ Receive and maintain contact with our Associates;
- ◆ Promote and maintain contact with the old girls of our schools;

Objectives and activities and relevant policies (continued)

Objectives and activities (continued)

The promotion of religious teaching and spirituality (continued)

- ◆ Maintain contact with other Anglican religious communities and other ecumenical bodies;
- ◆ Liaise with national and diocesan church bodies;
- ◆ Liaise with the Convent and its branch house in Sri Lanka, whose varied ministry includes parish work, running a home for elders, a children's home, a hostel for young ladies and a retreat house;
- ◆ Promote relationships with other Society of Saint Margaret convents around the world; and
- ◆ Seek to be open to the Will of God in our ministry and in the future training of novices.

The aims of St Mary's are to:

- ◆ Provide excellent personal and nursing care to its 60 older residents, in a homely environment, where they live as part of an extended Christian family, whilst also having the right to privacy and independence;
- ◆ Provide care, delivered by skilled staff, underpinned by the core values of privacy, dignity, choice, rights, proper assessment of risk, respect, equality, fulfilment, independence and security, to a standard which embraces fundamental principles of good practice and meets the requirements of the Care Act 2014;
- ◆ Recognise each resident as an individual and enable the resident to achieve the highest possible quality of life throughout their stay. Family and friends are welcome and are involved in care planning and delivery, providing the resident gives consent; and
- ◆ Enable the resident to experience a comfortable and peaceful death, surrounded by loved ones and caring staff.

The activities and fundamental ethos of St Mary's are to:

- ◆ Provide nursing and residential care for elderly residents, who are physically frail, disabled or require supervision due to mental and/or physical deterioration. St Mary's is staffed by registered nurses and care assistants, most of whom have Qualifications and Credit Framework ("QCF") qualifications at levels 2, 3 and 5;
- ◆ Provide holistic care for the residents, including meeting social and spiritual needs. This involves a varied activity programme throughout the week, both inside the Home and out. Staff, volunteers and paid contributors are involved in providing the programme;
- ◆ Provide a local care home for the older people of Chiswick and surrounding areas, so they do not have to move away for this facility and can maintain local links and involvement if they wish. It is the only care home providing nursing in Chiswick;

Objectives and activities and relevant policies (continued)

Objectives and activities (continued)

The promotion of religious teaching and spirituality (continued)

- ◆ Provide five one bedroom independent living bungalows within the grounds of St Mary's;
- ◆ Enable the residents to live as independently as possible, in their own rooms, respecting their choices for decoration and room layout where practically possible;
- ◆ Provide assistance to residents if they need it, but to limit interventions to suit their needs and desires, ensuring they maintain control over their lives and enabling them to take risks within a monitored and safe environment; and
- ◆ Provide a homely, flexible and accepting environment where the resident and their families and friends feel able to continue their relationships and enjoy family life, arranging and participating in any activities that are important to the resident's cultural, social or religious needs.

St Mary's recognises that its clients (residents) are vulnerable. Many of them are physically and/or mentally frail. They may be unable to give informed consent or make appropriate choices or judgements. Some are not able to recognise risks to themselves or maintain their own safety. As an ethical business, based on Christian values, St Mary's adopts practices to protect these vulnerable adults, including:

- ◆ Disclosure and Barring Service (DBS) criminal record checks for all staff and volunteers;
- ◆ Safeguarding of Vulnerable Adults (SOVA) training for all staff and volunteers;
- ◆ Vulnerable adult policy – service wide agreement;
- ◆ Training and induction for staff (video and questionnaire, QCF);
- ◆ Gifts and gratuities policy;
- ◆ Restraint policy and regular medication review;
- ◆ Accident/incident policy;
- ◆ Nursing and Midwifery Council register checked (registered nurses only); and
- ◆ Supervision as required by the Care Quality Commission.

Public benefit

Both the charity and the charitable company review their aims, objectives and achievements each year and this report comments on achievements during the year ended 31 March 2022 and also considers plans for the future. In undertaking the review of aims, objectives and achievements the trustees of both charities have paid due regard to guidance issued by the Charity Commission in determining how their activities should be carried out for the public benefit.

Objectives and activities and relevant policies (continued)

Public benefit (continued)

Saint Margaret's Convent (Chiswick) and St Mary's Convent and Nursing Home (Chiswick) fulfil their charitable purposes for the public benefit in the following ways:

- ◆ Providing the facilities for public and private worship, retreats, pastoral support and hospitality to all irrespective of their religious belief or their means;
- ◆ Providing high standards of care for the 60 residents at St Mary's;
- ◆ Providing five one bedroom independent living bungalows within the grounds of St Mary's;
- ◆ Giving that care at fee rates materially lower than the rates charged by commercially operated homes of comparable quality;
- ◆ Caring for those residents reliant on public funding at fee rates materially lower than St Mary's normal rates. The trustees of St Mary's continue to be concerned about the extent of this public subsidy but it is the unfortunate reality of the inadequacy of public funding for residential and nursing care for the elderly. St Mary's status as a charity does ensure that residents are not prevented by lack of means from enjoying the high standard of care St Mary's is able to provide;
- ◆ Being a place of both public and private worship for residents, staff and visitors alike. The presence of the Chapel distinguishes St Mary's from most other care homes and provides a spiritual element to the atmosphere at St Mary's which is much valued;
- ◆ Being open to all irrespective of their religious beliefs despite St Mary's being run by an Anglican Christian religious order.

The charitable status of St Mary's substantially enhances its ability to fulfil its charitable purposes for the public benefit in a number of ways:

- ◆ The sisters resident at St Mary's provide the ethos and the spiritual care whilst living amongst the residents;
- ◆ The trustees give freely of their time and expertise without payment;
- ◆ Charitable status combined with the high regard and affection in which the Convent and St Mary's are held, ensures the continued support of a host of volunteers. This support comes in the form of the donation of both time and money. The wide range of activities and outings enjoyed by the residents of St Mary's could not be provided without the considerable support of volunteers who give freely of their time. Such activities are an important contributor to the air of vitality at St Mary's;

Objectives and activities and relevant policies (continued)

Public benefit (continued)

- ♦ The work which is carried out by volunteers, the sisters and trustees at no cost, coupled with the fact that as a charity there is no requirement for a commercial return on capital employed, enables St Mary's to operate with a much lower cost base than a commercial undertaking, resulting in the lower fee rates for residents to which reference has already been made.

Investment policy

The investments of both the charity and the charitable company are managed by Investec Wealth & Investment Limited, professional investment managers. There are no restrictions on the any of the charities' power to invest.

The investment strategy is set by the trustees with advice from their investment managers. It takes into account income requirements for the year, the risk profile and the investment managers' view of the market prospects in the medium term.

The investment objective of both the charity and the charitable company is to achieve a balanced return between income and capital growth within a moderate risk profile. The trustees also have an ethical policy which precludes investment in any company, which after reasonable enquiry, clearly generates significant profits from an activity which is contrary to the objectives of the Anglican Church.

Both charities receive quarterly reports from their investment managers allowing the respective trustees to monitor the performance of the portfolio and the investment strategy. The trustees also meet with the investment managers at least once a year.

Fundraising policy

Both charities aim to achieve best practice in the way in which they communicate with donors and other supporters. They take care with both the tone of their communications and the accuracy of their data to minimise the pressures on supporters. They apply best practice to protect supporters' data and never sell data, they never swap data and ensure that communication preferences can be changed at any time. The charities manage their own fundraising activities and neither employs the services of professional fundraisers. The charities undertake to react to and investigate any complaints regarding their fundraising activities and to learn from them and improve their service. During the year, neither charity received any complaints about their fundraising activities.

Achievements and performance

St Margaret's Convent

During the year, the charity has continued to support members of the community and so enable them to carry on their religious and charitable work whilst ensuring also that those sisters in need of care are looked after properly. The promotion and maintenance of public worship has, subject to Government imposed restrictions, continued to be fulfilled by the celebration of the Eucharist and Divine Office each day in the chapel. Through their individual ministries such as parish work, pastoral visiting, educational work, assisting with retreats and spiritual direction, the sisters continue to promote religious teaching and spirituality. Inevitably, Covid-19 has affected the Sisters' work since March 2020 especially in respect to social interactions and pastoral activities. The Sisters have addressed these challenges by using alternative forms of communication – in particular Zoom conferencing, emails and telephone to continue to reach out and minister to those in need.

St Mary's Convent and Nursing Home (Chiswick)

This report covers another year affected by the Covid-19 pandemic, when the home was still experiencing lockdowns and outbreaks and, therefore, was closed to admissions for periods of time during the year.

We were extremely fortunate that, throughout the pandemic, the Government's Job Retention Scheme (furlough), Hounslow's Infection Control Fund and the NHS funded PPE supplies helped greatly in protecting the Home from the worst of the extra costs incurred. The funding continued as the new variants of the virus took hold.

The main impact on the finances of the Home during both years affected by Covid-19 was the lower than normal occupancy. Since the year-end, occupancy has increased steadily and, at the date of approval of this report, the Home is almost full with a small waiting list. The lower occupancy during both 2021 and 2022 resulted in a drop to income compared to pre Covid-19 levels. This has meant that, where we were able to, staff numbers have had to be reduced through people retiring, moving away from London, and not recruiting when a staff member leaves. Since the year-end, the Home has again started to recruit new staff.

During the pandemic we used the time to refurbish the communal areas of the Home and many of the rooms throughout the Home, adding in new en-suite shower rooms to the Residential Unit on the first floor.

As noted above, since the year-end, there has been a lot of interest in the Home. As at the date of signing this report, the Extra Care rooms are all occupied, and only a small number of rooms in the residential unit remain vacant. Additionally, we have a small waiting list for Extra Care rooms.

The Home runs as an extended Christian family, where residents, their families and friends are normally all welcome in the Home, which has an open visiting policy. Residents are supported so that they may live as normal a life as possible, enabling them to be "up and about" and enjoying some meaningful activities during the day. This is facilitated by specialist mobility equipment funded from donations, which means no residents are bedbound. There is a full activity programme every week, with more individual activities facilitated by the Activities Team.

Achievements and performance (continued)

St Mary's Convent and Nursing Home (Chiswick) (continued)

The chapel is the focal point of St Mary's, and although residents do not have to be religious to come to the Home, many residents choose it because they wish to continue to attend a weekly church service. Mass is celebrated every day and the sisters attend offices of Morning Prayer, Mid-day Office, Vespers and Compline and are often joined at these by some residents.

The Home has many staff who have worked at St Mary's for several years and the Home actively supports staff to gain Health and Social Care Qualifications at levels 2, 3 and 5. Over the year, the Home has been fully staffed and has not used agency staff. Where necessary we have called on our bank staff.

The Home has a good working relationship with the Palliative Care Team at Meadow House Hospice and aims to provide residents with end of life care at the Home. All were supported to the end of their lives at St Mary's. Families and friends were able to continue to visit them here and also received support from the regular and consistent staff team.

Quality Management is of paramount importance and the Home uses the Quality Compliance System to audit compliance with the Fundamental Standards. (Care Act 2014, Health & Social Care Act 2008).

The Home operates in a highly regulated sector, and during the pandemic this was even more evident. A plethora of daily reports, to differing bodies, requiring different statistics, and the on-going Covid-19 management has taken up an enormous amount of time of both the Registered Manager and the Administrator, and has resulted in a room full of carefully audited paperwork, which the home is obliged to keep.

The Care Quality Commission have taken these 2 years to look at how they will inspect and audit providers in the future and will be launching their new framework in the autumn of 2022. During the pandemic they monitored the information gathered by the local councils and NHS Capacity Tracker and did targeted inspections around infection prevention and control. This will be their model going forward. Currently each month they look at the information gathered and send an email stating that they see no reason to change their rating of the care home.

The Home was last inspected in November 2019 and was rated "Good" in the reported published in December 2019 with Responsive rated as "Outstanding". A full copy of the report can be found at www.cqc.org.uk.

Financial review

The group's income amounted to £3,797,577 (period to 31 March 2021: £3,793,293 (excluding the transfer to the CIO)). Of this amount £3,089,438 (period to 31 March 2021: £2,972,426) arose from nursing and residential home fees. Donations and legacies receivable totalled £198,334 (period to 31 March 2021: £138,907).

Expenditure during the year for the group amounted to £3,847,035 (period to 31 March 2021: £3,900,778). Costs in relation to the provision of residential and nursing care totalled £3,495,892 (period to 31 March 2021: £3,607,324). The costs of supporting the members of the community and their ministry were £265,808 (period to 31 March 2021: £202,009).

During the financial year to 31 March 2022 St Mary's achieved an operating surplus of £103,506 (period to 31 March 2021: surplus of £3,937). Further details about the results of St Mary's are provided in note 13 to the accounts.

The fees paid by local authorities are significantly below the level required to cover the economic costs of care. Without the support of those giving donations and bequeathing legacies, and without income arising from investments, expenditure for St Mary's would have exceeded its income by £234,068.

Net expenditure for the group, before realised and unrealised investment losses, amounted to £49,458 (period to 31 March 2021: net income of £17,456,506 before realised and unrealised investment losses but after the transfer from the charitable trust).

Net investment gains for the group were £459,934 (period to 31 March 2021: £2,362,286) and the net income and net increase in funds for the period, therefore, amounted to £410,476 (period to 31 March 2021: £19,818,792).

Donations

The trustees wish to record their grateful thanks to all donors whose generosity has enabled the work of the charity and of St Mary's to continue.

Investment performance

As previously stated, during the year, the group's investments were managed by Investec Wealth & Investment Limited. At 31 March 2022 the investments had a market value of £14,058,743 (31 March 2021: £13,762,543) including cash awaiting investment of £773,971 (31 March 2021: £543,548).

During the year, the total return achieved on the investment portfolio was 2.3%.

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 12 to the attached accounts. The trustees of the charity will continue to take a long term view and believe that the investment policy remains appropriate.

Financial review (continued)

Reserves policy and financial position

Balance sheet reserves at 31 March 2022 were £20,229,268 (period to 31 March 2021: £19,818,792) of which £7,166,447 (period to 31 March 2021: £7,231,776) represented designated funds, £4,640,664 (period to 31 March 2021: £4,855,097) represented fixed asset reserves, and the remaining £8,422,157 (period to 31 March 2021: £7,731,919) represented general funds.

The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, or otherwise committed. Given the nature of the work undertaken by St Mary's, and the current inadequacy of Government funding for residents in nursing homes without private means, together with the long term commitment to look after the members of the community as they grow older, it is considered that the level of the group's free reserves should be equal to at least eighteen month's budgeted expenditure. The trustees are of the opinion that this provides sufficient flexibility to enable the charity to meet the continued challenges posed by the aftermath of the Covid-19 pandemic and by the current macroeconomic and geopolitical climate and so cover any temporary shortfalls in income due to falls in occupancy levels.

The trustees consider that the level of free reserves is adequate but not excessive and will enable it to pursue successfully its charitable objectives. The free reserves figure of £8,422,157 needs to be considered in the light of the aftermath Covid-19 and the challenges posed by the macroeconomic and geopolitical climate. Inflationary pressures will have a significant impact of energy bills and food prices during the next twelve months and St Mary's faces the uncertainties caused by the Government's changes to the funding of social care and their impact on care fees. The annual budgeted expenditure of St Mary's exceeds £3.9 million and this needs to be considered in the light of the foregoing but also the increasing age profile of the sisters, the volatility in world stock markets and the need for St Mary's to employ more paid staff in the future as a result of the increasing regulatory requirements on care homes. Therefore, the trustees are of the opinion that the free reserves are adequate but not excessive.

Plans for future periods

It is the intention of the trustees of the charity to continue to meet the following objectives:

- ◆ To monitor the needs of the sisters as they grow older and, if necessary, adapt the charity's and group's plans in respect to property needs and the provision of care to elderly members;
- ◆ To continue to remain focused on the importance of worship and prayer to the lives of the individual Sisters and to the overall mission of the charity and group; and
- ◆ To continue to care for the sisters and enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible.

Plans for future periods (continued)

At St Mary's, the immediate challenge for 2022/23 and 2023/2024 will be to deal with the issues arising due to the macroeconomic and geopolitical climate and, in particular, rising energy and food prices. The aftermath of the pandemic continues to present difficulties. In addition, the Government's reforms in respect to social care funding and the national shortage of care and nursing staff both give rise to severe challenges. Operationally, the trustees do not anticipate any significant change to the charity - their intention is to continue to meet the charity's objectives and to focus on providing an excellent service for residents.

Structure, governance and management

Governing document

The charity is a Charitable Incorporated Organisation (CIO), governed by a Constitution and registered with the Charity Commission on 21 February 2020.

Key management personnel

The trustees (who include the Reverend Mother who is also the Responsible Person and Chief Executive of St Mary's) consider that they, together with the lay trustees of the charitable company and the Registered Manager/Matron of St Mary's, comprise the key management personnel of the charity and the group in charge of directing and controlling, running and operating the charity and the group on a day to day basis.

None of the trustees, including the lay trustees of St Mary's, received any remuneration or reimbursement of expenses during the period.

All trustees of the charity are members of the Anglican Religious Community, Saint Margaret's Convent (Chiswick). In accordance with their vows of poverty all trustees are provided with board, lodgings, travelling and personal expenses. The sisters receive no other benefit in money or in kind. Those who work within St Mary's receive no salary for the work they do within the Home.

The pay of the Registered Manager/Matron of St Mary's is reviewed annually by the trustees. Her pay generally is increased in line with average earnings within the Home.

Trustees

The names of the trustees who served during the financial year ended 31 March 2022 are set out as part of the legal and administrative details on page 1 of this annual report and consolidated accounts.

The trustees take advice from both their lay advisers and their professional advisers, particularly in the areas of law, finance and accounting, property and investment.

St Mary's Convent and Nursing Home (Chiswick) has a body of trustees which is separate from the trustees of Saint Margaret's Convent (SSM Chiswick) CIO. The trustees of the charitable company are also the charity directors for the purposes of company law. Saint Margaret's Convent (SSM Chiswick) CIO is a Member of St Mary's Convent and Nursing Home (Chiswick) and may appoint two Directors of the company.

Structure, governance and management (continued)

Trustee induction and training

The trustees of St Mary's Convent and Nursing Home (Chiswick) have expertise and experience in a wide range of business, medical and care disciplines. Individuals with appropriate skills, ability and time are approached to offer themselves for election to the board of trustees.

Prospective trustees of the charitable company are invited to meet existing trustees and the senior management and to see first-hand the work of the Home and its general atmosphere. They are provided with relevant documents relating to the governance of the charity and the latest accounts and management accounts. The information and advice available from the Charity Commission is also made available to any prospective trustee who does not have previous experience of the duties and responsibilities placed on a charity trustee.

Organisational structure

The Reverend Mother Superior, currently Sister Jennifer Anne SSM, is the chair of the trustees of both the charity and the charitable company. She is responsible for the day to day running of the charity and is assisted by the Assistant Superior of Saint Margaret's Convent, currently Sister Mary Clare SSM.

The trustees of the charity meet during the year as necessary.

The day to day running of St Mary's is carried out by Sister Jennifer Anne SSM, who is designated as the responsible person for statutory purposes, and Elizabeth Smith, who is the registered manager and matron.

The trustees of the charitable company meet four times a year and are responsible for the strategic direction and policy of the Home. At each meeting, the trustees of the charitable company consider the key measures of operational and financial performance with the assistance of the appropriate members of the management team.

Statement of trustees' responsibilities

The charity's trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the group and of the income and expenditure of the charity and 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 of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);

Structure, governance and management (continued)

Statement of trustees' responsibilities (continued)

- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Risk management

The trustees have identified and considered the major risks to which the charity is exposed. Systems have been established to mitigate those risks and the risk policies which have been developed will be regularly updated and adapted as circumstances change. The trustees of the charitable company have also identified and considered the major risks to which St Mary's is exposed. The key risks affecting the charities are described below together with the main ways in which they are mitigated:

- ◆ Operationally both charities work with vulnerable adults including older people. Their trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charities serve. This means that sisters and staff must obtain clearance from the Disclosure and Barring Service (DBS). In addition, the trustees have established systems of on-going safeguarding training; to update internal policies; and to ensure staff and volunteers are kept informed about good practice in work.

St Mary's operates in a highly regulated field of activity and as such is subject to regular inspection by a number of agencies. The result of this degree of scrutiny is that operational risk policies are very well developed in the areas of quality of service, health and safety of residents and employees and employment issues. The Matron and the trustees with experience of running health care organisations advise the trustees of the myriad of clinical, care and other risks associated with the operation of the care home including, for example, safeguarding (see above); the chronic shortage of qualified nurses and care assistants; and the changing regulatory environment including alterations to the inspection regime of the Care Quality Commission and the need for specific written policies.

Structure, governance and management (continued)

Risk management (continued)

- ♦ The group and the charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by a reputable investment manager who adheres to a policy agreed by the trustees. The trustees meet at least once a year with the investment manager and the manager's performance and that of the portfolio are monitored regularly. This will continue to be so given the volatility in markets caused by the aftermath of the Covid-19 pandemic but also by the current macroeconomic and geopolitical climate. The investment strategy is assessed regularly to ensure it remains appropriate to the group's and charity's needs - both now and in the future.

In the areas of governance, financial and compliance risk the trustees of both the charity and the charitable company have considered the systems controlling risk and the work of the charities' senior staff and professional advisers who implement and monitor the risk control systems. The risk systems in place combined with the skills of those responsible for implementing the policies minimise the exposure to risk.

Related parties

With effect from midnight on 31 March 2020, the sole member St Mary's Convent and Nursing Home (Chiswick), which is a company limited by guarantee, became Saint Margaret's Convent (SSM Chiswick) CIO.

The freehold of the premises from which the Home operates is owned by the charity. St Mary's Convent and Nursing Home (Chiswick) occupies the premises for an annual peppercorn rent in accordance with a written Memorandum of Understanding.

Employees, volunteers and members of the Community

The trustees wish to record their recognition of the professionalism and commitment of all their staff and volunteers. Their dedication and positive approach is very much appreciated.

Approved by the trustees and signed on their behalf by:

Trustee

Approved by the Trustees on 22/11/2022

Independent auditor's report to the trustees of Saint Margaret's Convent (Chiswick)

Opinion

We have audited the accounts of Saint Margaret's Convent (SSM Chiswick) CIO (the 'parent charity') and of Saint Margaret's Convent (SSM Chiswick) CIO and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the group and parent charity statement of financial activities, the group and parent balance sheets, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2022 and of their income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the group's and the 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 the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the parent charity and group through discussions with management and trustees and from our knowledge and experience of the sector. We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the parent charity and group. These included but were not limited to 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), the Charities Act 2011, the Companies Act 2006, The Code of Fundraising Practice, Safeguarding Regulations and the Care Standards Act 2001 and related legislation; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

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

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

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

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

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

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

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

Date: 30 November 2022

Consolidated statement of financial activities Year ended 31 March 2022

		Year ended 31 March 2022 £	21 February 2020 to 31 March 2021 Total funds £
	Notes		
Income from:			
Donations and legacies*	1	198,334	138,907
Investment income and interest receivable	2	330,221	334,732
Charitable activities			
. Charges for nursing and residential care services	3	3,089,438	2,972,426
Other sources:			
. Amounts receivable under the Coronavirus Job Retention Scheme		2,061	103,968
. Infection control and other Covid-19 related income		145,711	212,953
. Miscellaneous		31,812	30,307
		3,797,577	3,793,293
Transfer from Saint Margaret's Convent (Chiswick) (Charity Registration No: 231926) (see below)		—	17,563,991
Total income		3,797,577	21,357,284
Expenditure on:			
Raising funds – investment management fees		25,006	22,522
Charitable activities			
. Support of members of the Community and their ministry	4	265,808	202,009
. Provision of nursing and residential care	5	3,495,892	3,607,324
. Donations	7	60,329	68,923
Total expenditure		3,847,035	3,900,778
Net (expenditure) income before net investment gains	8	(49,458)	17,456,506
Net gains on investments		459,934	2,362,286
Net income and net movement in funds		410,476	19,818,792
Reconciliation of funds:			
Fund balances brought forward at 1 April 2021		19,818,792	—
Fund balances carried forward at 31 March 2022		20,229,268	19,818,792

The group has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been prepared.

With effect from midnight on 31 March 2020, the activities, assets and liabilities of Saint Margaret's Convent (Chiswick) (Charity Registration No: 231926) were transferred as a going concern into the Charitable Incorporated Organisation (CIO), Saint Margaret's Convent (SSM Chiswick) CIO (Charity Registration Number 1188112) (see note 21).

*Donations in the period to 31 March 2022 included £11,500 (2020: £5,500) for restricted purposes. Further details of these are given in note 1 to the accounts.

All other income related to unrestricted funds.

Charity statement of financial activities Year ended 31 March 2022

		Year ended 31 March 2022 £	21 February 2020 to 31 March 2021 Total funds £
	Notes		
Income from:			
Donations and legacies	1	54,775	72,420
Investments and interest receivable	2	237,206	240,455
Other income		65	40
		292,046	312,915
Transfer from Saint Margaret's Convent (Chiswick) (Charity Registration No: 231926) (see below)		—	9,180,328
Total income		292,046	9,493,243
Expenditure on:			
Raising funds		16,225	14,533
Charitable activities			
. Support of members of the Community and their ministry	4	361,808	331,359
. Donations	7	65,329	77,560
Total expenditure		443,362	423,452
Net (expenditure) income before net investment gains	8	(151,316)	9,069,791
Net gains on investments		327,338	1,706,783
Net income and net movement in funds		176,022	10,766,574
Reconciliation of funds:			
Total funds balances brought forward at 1 April 2021		10,776,574	—
Total funds balances carried forward at 31 March 2022		10,952,596	10,766,574

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been prepared.

With effect from midnight on 31 March 2020, the activities, assets and liabilities of Saint Margaret's Convent (Chiswick) (Charity Registration No: 231926) were transferred as a going concern into the Charitable Incorporated Organisation (CIO), Saint Margaret's Convent (SSM Chiswick) CIO (Charity Registration Number 1188112) (see note 21).

All income and expenditure related to unrestricted funds.

Balance sheets 31 March 2022

		Group		Charity	
	Notes	2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	11	4,640,664	4,855,097	659,302	677,465
Investments	12	14,058,743	13,762,543	10,031,101	9,860,456
		18,699,407	18,617,640	10,690,403	10,537,921
Current assets					
Debtors	14	325,487	344,524	107,644	137,524
Cash at bank and in hand		1,665,076	1,351,206	312,609	271,643
		1,990,563	1,695,730	420,253	409,167
Liabilities					
Creditors: amounts falling due within one year	15	(460,702)	(494,578)	(158,060)	(170,514)
Net current assets		1,529,861	1,201,152	262,193	238,653
Total net assets		20,229,268	19,818,792	10,952,596	10,776,574
Represented by:					
Funds and reserves					
Income funds					
Unrestricted funds					
. Designated funds	16	7,166,447	7,231,776	5,166,447	5,231,776
. Tangible fixed assets fund	17	4,640,664	4,855,097	659,302	677,465
. General fund		8,422,157	7,731,919	5,126,847	4,867,333
		20,229,268	19,818,792	10,952,596	10,776,574

Approved by the trustees and signed on their behalf by:

Trustee

Approved by the trustees on: 22/11/2022

Consolidated statement of cash flows Year ended 31 March 2022

	Notes	Year ended 31 March 2022 £	21 February 2020 to 31 March 2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(137,609)	(203,136)
Cash flows from investing activities:			
Investment income and interest received		330,221	334,732
Purchase of tangible fixed assets		(42,476)	(213,337)
Proceeds from the disposal of investments		2,413,964	2,025,361
Purchase of investments		(2,019,808)	(1,703,499)
Net cash provided by investing activities		681,902	443,257
Change in cash and cash equivalents in the period		544,293	240,121
Cash and cash equivalents at 1 April 2021	B	1,894,754	—
Cash transferred from Saint Margaret's Convent (Chiswick) (Charity Registration No: 231926))		—	1,654,633
Cash and cash equivalents at 31 March 2022	B	2,439,047	1,894,754

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

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

	Year ended 31 March 2022 £	21 February 2020 to 31 March 2021 £
Net movement in funds (as per the statement of financial activities)	410,476	19,818,792
Adjustments for:		
Transferred from Saint Margaret's Convent (Chiswick) (Charity Registration No: 231926))	—	(17,563,991)
Depreciation charge	256,908	249,071
Net gains on investments	(459,934)	(2,362,286)
Investment income and interest receivable	(330,221)	(334,732)
Decrease (increase) in debtors	19,037	(36,354)
(Decrease) increase in creditors	(33,876)	24,463
Loss on disposal of tangible fixed assets	—	1,901
Net cash used operating activities	(137,609)	(203,136)

Consolidated statement of cash flows Year ended 31 March 2022

B Analysis of net debt i.e. cash and cash equivalents

	31 March 2021 £	Cash flows £	31 March 2022 £
Cash at bank and in hand	1,351,206	313,870	1,665,076
Cash held by investment managers	543,548	230,423	773,971
Total cash and cash equivalents	1,894,754	544,293	2,439,047

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.

Basis of preparation

These accounts have been prepared for the year ended 31 March 2022 with comparative information given in respect to the period from 21 February 2020 to 31 March 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), 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.

Basis of consolidation

The group's statement of financial activities, balance sheet and cash flow statement consolidate the accounts of the charity and the accounts of St Mary's Convent and Nursing Home (Chiswick), a wholly controlled subsidiary.

Critical accounting estimates and areas of judgement

Preparation of the accounts of the group and the charity requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ assessing the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- ◆ assessing the recoverability of any debts for residential and care home fees and the need for a provision against doubtful or bad debts;
- ◆ determining the probability of the receipt of legacies which are measurable and to which the charitable group is entitled;
- ◆ the assumptions applied in determining the size of the sisters' care fund, created in order to provide for the continuing care of the members of the community;
- ◆ determining the assumptions adopted by the trustees and management in determining the value of any other designations required from the charitable group's general unrestricted funds; and
- ◆ estimating future income and expenditure for the purpose of assessing going concern.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The trustees of the CIO have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the CIO to continue as a going concern. The trustees are of the opinion that the CIO will have sufficient resources to meet its liabilities as they fall due.

Going forward, the CIO's investment income may be affected because of the current macroeconomic and geopolitical climate. Expenditure may rise in some areas due to inflationary pressures. The trustees of the CIO will continue to monitor both income and expenditure closely.

The global Covid-19 pandemic has presented St Mary's Convent and Nursing Home (Chiswick) with a number of challenges since February 2020. The main impact of the pandemic on the finances of the Home during that period has been in the lower-than-normal occupancy rate. As rooms became vacant during the first few months, the Home was unable to take in new residents. By the time the Home could welcome new residents the waiting list had been decimated by the pandemic. The Home encountered a great deal of hesitancy around people putting their relatives into a care home. The bad publicity surrounding the early crises in care homes and Covid-19 deaths had an impact. However, since mid 2022, there has been much greater interest in care home placements and occupancy levels subsequent to the year end have improved. There has also been a steady increase in requests for respite stays and post-surgery convalescence.

During the lockdown periods, the Home was able to undertake a considerable amount of refurbishment and upgrading of rooms.

Covid-19 has not gone away and the Home continues to take all precautions necessary to protect residents and staff from infection. The macroeconomic and geopolitical climate has added to the challenges faced by the Home which faces significant increases in its energy bills and other costs at a time when there are immense pressures on staff recruitment due to national shortages of nursing and care staff.

The Home is fortunate in having financial reserves and so the trustees do not have any doubts about the Home's ability to continue operating over the short to medium term.

The trustees of the charity and the group have concluded that, notwithstanding the uncertainties surrounding the aftermath of the pandemic and the current macroeconomic and geopolitical climate, there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity and group to continue as a going concerns. The trustees are of the opinion that the charity and group will have sufficient resources to meet their liabilities as they fall due.

Assessment of going concern (continued)

With regard to the next accounting period, the year ending 31 March 2023, the most significant issues that may affect the charity's and the group's financial position are: the volatility in world investment markets which may cause the market value of the charitable company's investments to rise or fall; inflationary pressures and energy prices in particular; the level of local and central government funding for residential and nursing care for older people; the ability to recruit and retain high quality nursing and care staff; and the cost of implementing any changes to the regulatory environment affecting care homes generally.

The most significant areas of judgement that affect items in the accounts of the charity and group are detailed above.

Income recognition

Income is recognised in the period in which the charity and/or the charitable 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, legacies, investment income, interest receivable, fees and related charges in respect to residential and nursing care provision and other income including the surplus on the disposal of tangible fixed assets and fundraising activities.

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

In accordance with the Charities SORP FRS 102, no value has been placed on services provided by volunteers.

Legacies are included in the statement of financial activities when the charity and/or the charitable 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 charitable group.

Entitlement is taken as the earlier of the date on which either: the charitable group is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity and/or the charitable 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 charitable group has been notified of the executor's intention to make a distribution.

Income recognition (continued)

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 and/or the charitable group; this is normally upon notification of the interest paid or payable by the bank.

Fees and related charges in respect to the provision of residential and nursing care are measured at fair value of the consideration received or receivable being the invoiced amount excluding discounts and rebates. Provision is made against any amount deemed irrecoverable or where the debt is doubtful.

Income from the Coronavirus Job Retention Scheme and other Covid-19 related funding receivable is credited to the statement of financial activities when the charitable company is entitled to the funding and once the amount receivable has been quantified.

Income from miscellaneous sources includes contributions received from relatives staying overnight at the Home when visiting residents and rental income from staff. The income is recognised when receivable (being the date on which the accommodation was used) and when the charity and/or the charitable group has both confirmation of the amount and where receipt is considered probable.

The surplus on the disposal of freehold land and the surplus on the disposal of tangible fixed assets are included at fair value and accounted for on an accruals basis. The surplus on the disposal of both freehold land and tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs, related taxes and the net book value of the asset immediately prior to disposal.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity and/or the charitable 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. Expenditure comprises direct costs and support costs. Support costs, including governance costs, are allocated to expenditure on the provision of nursing and residential care. The classification between activities is as follows:

- ◆ Expenditure on raising funds comprises investment management fees.
- ◆ Expenditure on the provision of residential and nursing care facilities for the elderly at the Home

Expenditure recognition (continued)

- ◆ Expenditure on the support of members of the community and their ministry. Such expenditure enables the members to carry out their religious and charitable work.
- ◆ The provision of grants and donations relating, in the main, to the support of the community's own work and the support of other Anglican charitable organisations. Charitable grants and donations are made where the trustees believe there is a real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for any grants and donations approved but unpaid at the end of the financial year.

All expenditure is stated inclusive of irrecoverable VAT.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity and charitable 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 charitable group (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to either the provision of nursing and residential care or the support of members of the Congregation and their ministry. Hence, there has been no apportionment between expenditure headings.

Tangible fixed assets and depreciation

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

- ◆ Freehold and long leasehold land and buildings and improvements
Freehold and long leasehold land and buildings and improvements are shown on the balance sheet at cost.

Depreciation is calculated using a straight line basis at 2% per annum.

- ◆ Fixtures, fittings and motor vehicles are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the assets, less their estimated residual value, over their expected useful lives on the following basis:
 - ◇ Fixtures and fittings 10% - 20% per annum;
 - ◇ Motor vehicles 20% per annum.

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 and charitable group do not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity and the charitable 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.

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 and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charitable 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 funds of the charity and charitable group are unrestricted and therefore are available for use in furtherance of the charity's and charitable group's objectives (as appropriate) at the discretion of the trustees. Within the total unrestricted funds of the charity are funds the trustees have designated for specific purposes and amounts representing tangible fixed assets. Details of these are provided in notes 16 and 17 respectively.

Pensions

The charity and charitable group offer their 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 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.

1. Donations and legacies

	Group		Charity	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021	Year ended 31 March 2022	21 February 2020 to 31 March 2021
	£	£	£	£
Donations*	75,452	55,077	490	590
Legacies	68,597	20,575	—	8,575
Pensions of individual sisters	54,285	63,255	54,285	63,255
	198,334	138,907	54,775	72,420

*Group donations include restricted donations of £11,500 (2021: £5,500).

2. Investments and interest receivable

	Group		Charity	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021	Year ended 31 March 2022	21 February 2020 to 31 March 2021
	£	£	£	£
UK listed investments:				
. Fixed interest	63,836	70,572	50,508	58,232
. Equities (including property)	212,461	228,299	155,539	156,396
. CBF Church of England – unitised funds	6,456	9,843	6,456	9,843
Overseas listed investments				
. Fixed interest	19,631	7,717	4,060	4,612
. Equities	25,935	16,251	19,605	10,036
	328,319	332,682	236,168	239,119
Interest				
. Loan interest (note 15)	871	871	871	871
. Deposit interest	1,031	1,179	167	465
	330,221	334,732	237,206	240,455

3. Charges for residential and nursing care services

	Group	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021
	£	£
Gross fees	3,231,694	3,111,526
Less: subsidies and discounts	(142,255)	(139,136)
2022 Total	3,089,439	2,972,426

Subsidies and discounts arise in respect of those residents of the Home reliant on local authority or NHS funds where the fees paid fall short of the standard fees charged by the Home.

4. Support of members of the Community and their ministry

	Group		Charity	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021	Year ended 31 March 2022	21 February 2020 to 31 March 2021
	£	£	£	£
Premises	58,205	40,014	58,205	40,014
Sisters' living and ministry expenses	23,876	15,052	119,876	144,402
Sisters' nursing and medical care	146,942	104,319	146,942	104,319
Support costs:				
. Staff costs				
. General office costs	9,160	14,525	9,160	14,525
. Legal and professional fees	9,268	14,005	9,268	14,005
Governance costs (note 6)	18,357	14,094	18,357	14,094
	265,808	202,009	361,808	331,359

5. Provision of nursing and residential care

	Group	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021
	£	£
Direct care costs		
. Staff costs (including training: £19,881 (2021: £16,326))	2,123,197	2,219,068
. Medical costs	46,399	107,017
Accommodation costs and overheads		
. Staff costs (kitchen and domestic)	406,309	393,192
. Provisions	133,303	127,274
. Depreciation	229,082	223,178
. Property and equipment repairs and maintenance	277,942	259,840
. Rates, insurance, gas and electricity	125,417	108,557
. Residents' welfare and chapel	7,117	5,699
Support costs		
. Administration salaries	118,333	101,891
. Recruitment costs	14,915	16,273
. Printing, postage, stationery and telephone costs	8,691	14,162
. Car and travel expenses	9,850	7,641
. Professional fees (including governance costs (note 6))	73,822	85,923
. Other costs*	62,123	49,110
	3,636,500	3,707,665
Less: recharge to charity	(140,608)	(100,341)
	3,495,892	3,607,324

*Other costs include expenditure from restricted funds of £10,000 (2021: £nil).

6. Governance costs

	Group		Charity	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021	Year ended 31 March 2022	21 February 2020 to 31 March 2021
	£	£	£	£
Auditor's fees	29,757	25,254	18,357	14,094

7. Donations

	Group		Charity	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021 £	Year ended 31 March 2022	21 February 2020 to 31 March 2021 £
Donations of £1,000 or more to institutions				
Overseas missions of Saint Margaret's	14,000	11,000	14,000	11,000
Sackville College	1,500	1,500	1,500	1,500
The College of St Barnabas	1,500	1,500	1,500	1,500
The Camphill Family Appeal Fund	1,000	1,000	1,000	1,000
St Martin-in-the-fields	1,000	1,500	1,000	1,500
Water Aid	1,024	1,024	1,024	1,024
Glass Door Homeless Charity	1,500	1,000	1,500	1,000
The Priory of Our Lady	—	1,000	—	1,000
Médecins Sans Frontières	2,000	1,000	2,000	1,000
Friend of Ho (Anglican Diocese of Ho, Ghana)	600	600	600	600
Bible Society	1,200	—	1,200	—
Oxford mission	1,200	—	1,200	—
Operation Smile	1,000	—	1,000	—
KSS Air Ambulance	1,000	—	1,000	—
Hydestile Resident Animals	2,000	—	2,000	—
Guide Dogs for the Blind	1,200	—	1,200	—
Feed The Minds	1,200	—	1,200	—
St Mary's Convent and Nursing Home (Chiswick)	—	—	5,000	4,287
Other donations to institutions (less than £1,000)	3,600	3,547	3,600	7,897
Donations to individuals (see note below)	23,590	44,028	23,590	44,028
Other donations	215	224	215	224
2022 Total funds	60,329	68,923	65,329	77,560

Donations by the charity and the group include donations of £23,590 (period to 31 March 2021: £44,028) in respect to one (2021 – two) former associates of the Saint Margaret's Convent. The charity has agreed to supplement the residential and nursing care fees of the two associates for the immediate future and while sufficient government funding is not available to fund their care. No specific period is ascertainable over which the top up fees may be payable, as these will depend on government policy on funding nursing care, and also on age expectancy of the associates.

8. Net (expenditure) income before net investment gains

This is stated after charging:

	Group		Charity	
	Year ended 31 March 2022	21 February 2020 to 31 March 2021	Year ended 31 March 2022	21 February 2020 to 31 March 2021
	£	£	£	£
Staff costs (note 9)	2,627,958	2,697,552	—	—
Depreciation	256,908	249,071	27,826	25,895
Auditor's remuneration				
. Audit fees	22,552	22,110	11,032	10,950
. Taxation services	5,810	495	630	—
. Other services	21,306	29,761	4,370	10,575

9. Staff costs and trustees' remuneration and expenses and key management personnel

	Group	Charity	Group	Charity
	Year ended 31 March 2022	Year ended 31 March 2022	21 February 2020 to 31 March 2021	21 February 2020 to 31 March 2021
	£	£	£	£
Salaries and wages	2,352,145	—	2,423,230	—
Social security costs	209,648	—	204,714	—
Pension costs	66,165	—	69,608	—
	2,627,958	—	2,697,552	—

One employee (2021: one employee) earned £60,000 - £70,000 per annum (including taxable benefits but excluding employer's pension contributions).

The average and full time equivalent number of employees of the group during the period was as follows:

	Year ended 31 March 2022		21 February 2020 to 31 March 2021	
	Full time equivalent	Average	Full time equivalent	Average
Nursing and residential care staff	86	103	86	106
Management and administration	2	3	2	3
	88	106	88	109

The charity did not have any employees during 2022 or 2021.

As members of the Community, the trustees' living and personal expenses during the year were borne by the group and/or charity and they received no remuneration or reimbursement of expenses in connection with their duties as trustees.

The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £77,760 (2021: 73,073).

Trustees of St Mary's Convent and Nursing Home (Chiswick) gave donations totalling £250 (2021: £200).

10. Taxation

Saint Margaret's Convent (Chiswick) and St Mary's Convent and Nursing Home (Chiswick) are both registered charities and, therefore, are not liable to income tax or corporation tax on income and gains derived from their charitable activities as they fall within the exemptions available to registered charities.

11. Tangible fixed assets

Group	Freehold and long leasehold land and buildings £	Freehold improvements £	Fixtures and fittings £	Motor vehicles £	2022 Total £
Cost					
At 1 April 2021	1,294,673	4,616,693	1,164,289	65,140	7,140,795
Additions	—	—	42,476	—	42,476
Disposals	—	—	(57,409)	—	(57,409)
At 31 March 2022	<u>1,294,673</u>	<u>4,616,693</u>	<u>1,149,356</u>	<u>65,140</u>	<u>7,125,862</u>
Depreciation					
At 1 April 2021	617,208	1,220,624	408,289	39,577	2,285,698
Charge for year	25,893	102,150	118,930	9,935	256,908
On disposals	—	—	(57,409)	—	(57,409)
At 31 March 2022	<u>643,101</u>	<u>1,322,774</u>	<u>469,810</u>	<u>49,512</u>	<u>2,485,197</u>
Net book values					
At 31 March 2022	<u>651,572</u>	<u>3,293,919</u>	<u>679,546</u>	<u>15,628</u>	<u>4,640,664</u>
At 1 April 2021	<u>677,465</u>	<u>3,396,069</u>	<u>756,000</u>	<u>25,563</u>	<u>4,855,097</u>

Charity	Freehold and long leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	2022 Total £
Cost				
At 1 April 2021	1,294,673	1,608	15,465	1,311,746
Additions	—	9,664	—	9,664
Disposals	—	—	—	—
At 31 March 2022	<u>1,294,673</u>	<u>11,272</u>	<u>15,465</u>	<u>1,321,410</u>
Depreciation and impairment				
At 1 April 2021	617,208	1,608	15,465	634,281
Depreciation charge for period	25,893	1,933	—	27,826
Eliminated on disposal	—	—	—	—
At 31 March 2022	<u>643,101</u>	<u>3,541</u>	<u>15,465</u>	<u>662,107</u>
Net book values				
At 31 March 2022	<u>651,572</u>	<u>7,731</u>	<u>—</u>	<u>659,302</u>
At 31 March 2021	<u>677,465</u>	<u>—</u>	<u>—</u>	<u>677,465</u>

As permitted under FRS 102, Tangible Fixed Assets, the group and charity continued to adopt a policy of not revaluing their tangible fixed assets. The book value of the land and buildings and other tangible fixed assets are stated at cost.

11. Tangible fixed assets (continued)

It is likely that there are material differences between the open market values of the group's and charity's land and buildings and their book values. These arise from the specialised nature of the properties and the effects of inflation. The amount of such differences cannot be ascertained without incurring significant costs which, in the opinion of the trustees, is not justified in terms of the benefit to users of the accounts.

12. Investments

	Group	Charity	Group	Charity
	Year ended 31 March 2022 £	Year ended 31 March 2022 £	21 February 2020 to 31 March 2021 £	21 February 2020 to 31 March 2021 £
Listed investments	13,284,773	9,476,652	13,218,995	9,598,792
Cash held by investment managers for re-investment	773,971	554,449	543,548	261,664
At 31 March 2022	14,058,744	10,031,101	13,762,543	9,860,456
	Group	Charity	Group	Charity
	Year ended 31 March 2022 £	Year ended 31 March 2022 £	21 February 2020 to 31 March 2021 £	21 February 2020 to 31 March 2021 £
Listed investments				
Opening market value	13,218,995	9,598,792	—	—
Additions at cost	2,019,808	1,406,753	1,703,499	1,175,304
Disposals (see below)	(2,385,807)	(1,833,488)	(1,922,806)	(1,212,282)
Net unrealised investment gains	431,777	304,595	2,259,731	1,627,572
Transferred from Saint Margaret's Convent (Chiswick) (Charity Registration Number: 231926)	—	—	11,178,571	8,008,198
Market value at 31 March 2022	14,058,744	10,031,101	13,218,995	9,598,792
Historical cost of listed investments	10,187,957	7,218,274	10,580,548	7,750,461
	Group	Charity	Group	Charity
	2022 £	2022 £	2021 £	2021 £
Disposals				
Disposal proceeds	2,413,964	1,856,230	2,025,361	1,291,493
Realised (gains) losses	(28,157)	(22,742)	(102,555)	(79,211)
Disposals at market value	2,385,807	1,833,488	1,922,806	1,212,282

12. Investments (continued)

Listed investments comprised the following:

	Group	Charity	Group	Charity
	2022	2022	2021	2021
	£	£	£	£
UK listed investments				
. Fixed interest	1,097,020	767,406	1,611,588	1,272,228
. Equities (including property)	6,265,699	4,606,609	6,429,057	4,596,618
. Alternatives	997,042	648,518	486,102	411,852
Overseas listed investments				
. Fixed interest	431,709	325,965	356,942	319,593
. Equities	4,493,303	3,128,155	4,335,306	2,998,501
	13,284,773	9,476,653	13,218,995	9,598,792

Group and charity

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

Individually material investments

At 31 March 2022 listed investments included the following individual holdings deemed material when compared with the overall portfolio valuation as at that date.

	Group		Charity	
	Market value of holding £	Percentage of portfolio %	Market value of holding £	Percentage of portfolio %
Charities Property Fund Income	668,734	5.0	430,416	4.5
Vanguard Funds Plc S&P Units	1,104,920	8.3	728,228	7.7
Findlay Park Funds PLC American USD Dis	735,392	5.5	527,823	5.6

13. Subsidiary undertaking

St Mary's Convent and Nursing Home (Chiswick), a registered charity (Charity Registration Number 1080751) and a company limited by guarantee (Company Registration Number 03959483 (England and Wales)), is considered to be a wholly owned subsidiary undertaking of the charity by virtue of the fact that all the charitable company's members are trustees of the charity also. The subsidiary operates St Mary's Convent and Nursing Home (Chiswick).

A summary of the results of St Mary's Convent and Nursing Home (Chiswick) for the year ended 31 March is shown below:

	2022	2021
	£	£
Total income	2,748,787	3,719,591
Total expenditure	(3,645,281)	(3,715,654)
Net income for the year	103,506	3,937
Net investment gains	132,596	655,503
Net movement in funds	236,102	659,440

13. Subsidiary undertaking (continued)

The total net assets and funds of St Mary's Convent and Nursing Home (Chiswick) as at 31 March are shown below:

	2022 £	2021 £
Tangible fixed assets	3,981,362	4,177,632
Listed investments	4,027,642	3,902,087
Current assets	1,570,720	1,288,821
Creditors: amounts falling due within one year	(303,052)	(327,970)
Total net assets	9,276,672	9,040,570
Represented by:		
Unrestricted funds		
. Designated funds	2,000,000	2,000,000
. Tangible fixed assets fund	3,981,362	4,177,632
. General funds	3,295,310	2,862,938
	9,276,672	9,040,570

14. Debtors

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Nursing and residential care fees	112,965	—	47,256	—
Loan (see below)	45,358	45,358	44,486	44,486
Other debtors	11,644	—	53,683	—
Legacies receivable	—	—	12,000	—
Prepayments	80,140	123,637	77,971	15,198
Accrued income	75,380	48,649	109,128	77,840
	325,487	107,644	344,524	137,524

Group and charity

The loan represents an amount advanced to a former member of the Anglican religious order known as the Society of Saint Margaret to facilitate the purchase of a property. The loan, which is secured by way of a first legal charge over the property, is repayable on the earlier of the sale of the said property (or the sale of any subsequent property purchased from the proceeds should the former member relocate) and the death of the former member.

The maximum amount to be repaid by the former member when the property is sold will be the greater of 23.76% of the proceeds of sale or the amount of the loan plus the accrued interest. The loan attracts interest at 5% per annum simple, calculated from the date on which monies were advanced to the date of repayment.

Accrued interest of £871 has been added to the loan during the year (2021: £871).

15. Creditors: amounts falling due within one year

	Group	Charity	Group	Charity
	2022	2022	2021	2021
	£	£	£	£
Expense creditors	83,391	2,263	133,356	12,003
Fees received in advance	20,109	—	15,141	—
Taxation and social security costs	66,290	—	47,216	—
Accruals and other creditors	155,698	20,584	163,651	23,297
Sister Francis Anne Trust Fund	135,214	135,214	135,214	135,214
	460,702	158,060	494,578	170,514

16. Designated funds

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

Group	At 1 April 2021 £	New de- signations £	Utilised / released £	At 31 March 2022 £
Residential and nursing care contingency fund	900,000	27,000	(27,000)	900,000
Building maintenance and improvement fund	1,100,000	33,000	(33,000)	1,100,000
Sisters' care fund	3,030,000	—	—	3,030,000
Grants and donations financing fund	2,201,776	—	(65,329)	2,136,447
	7,231,776	60,000	(125,329)	7,166,447

Charity	At 1 April 2021 £	New de- signations £	Utilised / released £	At 31 March 2022 £
Sisters' care fund	3,030,000	—	—	3,030,000
Grants and donations financing fund	2,201,776	—	(65,329)	2,136,447
	5,231,776	—	(65,329)	5,166,447

The residential and nursing care fund comprises monies set aside to generate income towards meeting some of the shortfall in the fees paid by local authorities towards the cost of providing care. Income generated from the funds invested was added to the fund and withdrawn to the extent that it is needed to meet any shortfall.

The building maintenance and improvement fund represents monies set aside by the trustees to generate income towards the cost of maintaining the buildings to a standard appropriate to meet the needs of the residents and the sisters.

The sisters' care fund represents monies set aside by the charity's trustees to provide for the future costs of providing nursing care to elderly sisters who have dedicated their working lives to the charity.

The trustees have established a grant and donations financing fund with the broad intention to use the fund to provide income to be applied towards grants and donations.

17. Tangible fixed assets fund

	2022		2021	
	Group	Charity	Group	Charity
	2022 £	2022 £	2021 £	2021 £
At 1 April 2021	4,855,097	677,465	—	—
Transferred from Saint Margaret's Convent (Chiswick) (Charity Registration Number: 231926)	—	—	4,892,734	703,360
Net movements during the period	(214,433)	(18,163)	(37,637)	(25,895)
At 31 March 2022	4,640,664	659,302	4,855,097	677,465

The tangible fixed assets fund represents the net book value of the group and the charity's tangible fixed assets which have been financed from unrestricted funds. A decision was made to separate this fund from the general funds of the group and the charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the group and the charity. The value represented by such assets, therefore, should not be regarded as realisable with ease, in order to meet future contingencies.

18. Analysis of assets between funds

Group	General fund £	Tangible fixed assets fund £	Designated funds £	31 March 2022 £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	—	4,640,664	—	4,640,664
Investments	6,892,296	—	7,166,447	14,058,743
Current assets	1,990,563	—	—	1,990,563
Creditors: amounts falling due within one year	(460,702)	—	—	(460,702)
Total net assets	8,422,157	4,640,664	7,166,447	20,229,268

Charity	General fund £	Tangible fixed assets fund £	Designated funds £	31 March 2022 £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	—	659,302	—	659,302
Investments	4,799,325	—	5,231,776	10,031,101
Current assets	420,253	—	—	420,253
Creditors: amounts falling due within one year	(158,060)	—	—	(158,060)
Total net assets	5,061,518	659,302	5,231,776	10,952,596

18. Analysis of assets between funds (continued)

	Group	Charity	Group	Charity
	31 March	31 March	31 March	31 March
	2022	2022	2021	2021
	£	£	£	£
Unrealised gains on investments included above:			2,638,447	1,848,331
Reconciliation of movements on unrealised gains on investment assets				
Unrealised gains at 1 April 2021	2,638,447	1,848,331	—	—
Transferred from Saint Margaret's Convent (Chiswick) (Charity Registration Number: 231926)	—	—	76,879	88,907
Unrealised gains arising in the period	304,596	431,776	2,259,731	1,627,572
in respect of disposals in the period	105,453	26,592	301,836	131,852
At 31 March 2022	3,096,816	2,258,379	2,638,447	1,848,331

19. Ultimate control and members' liability

The charity, which is constituted as a CIO, was controlled throughout the period by the Society of Saint Margaret by virtue of the fact that the members of the CIO comprise the members of the Chapter. The Society does not hold any assets, incur liabilities or enter into any transactions in its own right within the United Kingdom. Assets and liabilities of the Society within the United Kingdom are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Community's charitable activities.

If the CIO is wound up, members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

20. Related party transactions

With effect from midnight on 31 March 2020, the sole member of St Mary's Convent and Nursing Home (Chiswick) became Saint Margaret's Convent (SSM Chiswick) CIO (the CIO). The members of the CIO are the members of the Chapter of the Society of Saint Margaret.

In accordance with their vows of poverty the trustees are provided with board, lodgings, travelling and personal expenses. A number of the trustees of the charity reside within the premises occupied by St Mary's Convent and Nursing Home (Chiswick) (the Home). Saint Margaret's Convent (SSM Chiswick) CIO donates monies to the St Mary's Convent and Nursing Home (Chiswick) towards the living and personal expenses of these sisters. The trustees receive no salary for the work they do at the Home. If the work performed by the Reverend Mother as Chief Executive of the Home had to be carried out by lay employees the cost would exceed £100,000 per annum.

During the period, a total of £53,293 (2021: £60,344) was donated by the trustees to the charity.

20. Related party transactions (continued)

With effect from midnight on 31 March 2020, the activities, assets and liabilities of the Saint Margaret's Convent (Chiswick), a charity registered with the Charity Commission (Charity Registration Number: 231926) were transferred to the CIO. Details of the transfer are provided below in note 21.

There were no other related party transactions during the year (period to 31 March 2021 – none).

21. Transfer of activities, assets and liabilities

The trustees of the charity are also the trustees of Saint Margaret's Convent (Chiswick), a charity registered with the Charity Commission (Charity Registration Number: 231926) (the predecessor charity). With effect from midnight on 31 March 2020, the activities, assets and liabilities of the predecessor charity were transferred to the CIO. The net assets at that date comprised:

	Group £	Charity £
Tangible fixed asset		
. Cost	7,107,518	1,311,746
. Depreciation	(2,214,785)	(608,387)
	<u>4,892,733</u>	<u>703,359</u>
Fixed asset investments	11,420,557	8,165,008
Debtors	308,169	130,738
Cash at bank and in hand	1,412,648	369,359
Creditors: amounts falling due within one year	(470,116)	(188,136)
	<u>17,563,991</u>	<u>9,180,328</u>

The assets and liabilities were represented by the following funds:

	Group £	Charity £
Unrestricted funds		
. General funds	7,309,336	5,309,336
. Designated funds	4,892,734	703,360
. Tangible fixed assets	<u>5,361,921</u>	<u>3,167,632</u>
	<u>17,563,991</u>	<u>9,180,328</u>