

**The Dominican  
Congregation of Saint  
Catherine of Siena of  
Oakford, Natal CIO**

**Annual Report and Accounts**

31 December 2022

Charity Registration Number  
1165125

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

<b>Trustees</b>	Sister Pauline van der Walt Sister Eileen Airey Sister Margaret Muldoon (resigned 18 May 2023) Mrs Barbara Peckham (appointed 20 January 2023)
<b>Registered Office</b>	C/O Daughters of Charity of St Vincent de Paul Provincial House The Ridgeway Mill Hill London NW7 1RE
<b>Congregational Prioress</b>	Sister Pauline van der Walt
<b>Telephone</b>	020 8959 2257
<b>e-mail</b>	paula-mary@oakfordop.com
<b>Charity Registration Number</b>	1165125
<b>Independent examiner</b>	Amanda Francis Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	HSBC Bank plc 99 High Street Chelmsford Essex CM1 1EQ
<b>Solicitors</b>	Stone King LLP 91 Charterhouse Street London EC1M 6HR
<b>Investment managers</b>	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU

## Report of the trustees Year to 31 December 2022

The Trustees present their report together with the accounts of The Dominican Congregation of Saint Catherine of Siena of Oakford, Natal CIO (the Charity or the CIO) for the year 31 December 2022.

These accounts have been prepared in accordance with the accounting policies set out on pages 16 to 19 and comply with applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice Applicable to Charities Preparing their Accounts in Accordance with the Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland (FRS 102).

### Introduction

The Dominican Congregation of Saint Catherine of Siena of Oakford, Natal CIO is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission and governed by a constitution dated 11 January 2016.

### Principal activities, objectives and aims

The CIO was set up to continue the work of The Dominican Sisters of the Congregation of Saint Catherine of Siena of Oakford, English Area, and the charity's constitution states its objective to be the "advancement of the Roman Catholic religion through the religious and other charitable work of the Congregation as the Trustees with the approval of the Congregational Prioress shall from time-to-time think fit".

The charity aims to support the Sisters and other charitable services carried out by the Sisters/members of the Congregation and to continue to care for those members throughout their lives within the Congregation, and particularly those remaining in England.

The Trustees confirm that they have complied with the statutory duty to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set in the objectives and the aims of the CIO.



All our Sisters in the UK have now retired from paid ministry, but their stipends and pensions are donated to the charity under Gift Aid or Deed of Covenant.

### Review of the year, activities and performance

#### *The remaining Oakford Sister in England*

Many religious Congregations are experiencing overall ageing and diminishment in numbers and ability. This is truly a challenging reality for an older person to understand after having spent more than 70 years living in community: to be the very last Sister of her Congregation in the country. While visits, letters and virtual meetings are arranged this does not substitute for her religious community and family members.

**Review of the year, activities and performance (continued)**

***The three retired Sisters from England continue to serve as volunteers in South Africa***



***Sister Carol Mouat,  
OP***

The most senior of our retired Sisters from England, Sister Carol Mouat continues to accompany people searching for spiritual and faith formation. She also accompanies individuals from the local parish on a very regular basis deepening their spiritual life.

Sister Carol offers days of reflection and prayer on life themes and on the liturgical seasons of the Church. People come to her for assistance in processes of discernment for making life-decisions. The feedback received from people has been their sheer joy in the transformation they have experienced in themselves and the facility with which they can seek God's guidance in their lives.



***The Chapel at the St Dominic's Retreat Centre at the Bluff, Durban***



***Sister Prudence  
Cooper, OP***

Another of our retirees from England, Sister Prudence Cooper continues to accompany those who ask for personal guidance in prayer. When needed, this is done online, or in-person with people who can take time away from daily life and 'retreat' to the Centre.

Recently Sister Pru was asked to prepare a spiritual component for the youth doing intensive upgrading of their studies for acceptance into universities for career development. On evaluation of their prayer and spiritual experience prepared and led by Sister Prudence, the response was of deep gratitude in being able to reconnect with God in their lives once more!



**Review of the year, activities and performance (continued)**

***The three retired Sisters from England continue to serve as volunteers in South Africa***  
(continued)



***Sister Bernadette Hurley & Community Sisters at a celebration.***

The third retiree Sister from the UK, volunteering in South Africa, is Sister Bernadette Hurley who serves in our South African Retirement & Care Home for our Sisters in Pietermaritzburg. While Sister Bernadette trained as a nursing Sister, now in her retirement she takes special care of the religious and community life of our aging Sisters, ensuring that they can live their vowed life as fully as possible in their later years.

A privileged moment in the care of our aged Sisters is to accompany them with our presence and prayer particularly as their earthly lives draw to a close. Sister Bernadette accompanies them at this stage of their journey *home*.



***Sister Bernie Hurley and Sister Margaret Spencely (Nursing Sister in charge of our Oakford Sisters' healthcare) testing the newly acquired wheelchair!***  
***A great acquisition: "Thank you" to our overseas benefactors!***



***Sister Bernie Hurley & Sister Bernadette Zulu, OP taking a walk in the fresh air while on a community outing in Howick.***

### Review of the year, activities and performance (continued)

#### ***The Trustees' work in the CIO***

The Trustees met in February, April, May, June, September and once more in November of 2022. All our CIO meetings were held via Zoom and all Trustees were present at each of these meetings.

The Trustees gave attention to their responsibilities in the CIO in terms of:

- ◆ Working as a Team and seeking potential Trustees for future service in the CIO.
- ◆ Reviewing information and correspondence from the charity's investment managers.
- ◆ Paying attention to the objectives in the Constitution when responding to requests for financial support of the Oakford Sisters' needs through the religious and charitable work of the Congregation: Ongoing formation; Leadership training provided by skilled facilitators especially for the younger Sisters; Funding a Reconciliation and Healing Programme for ministry in the South African context.
- ◆ The Oakford Dominican Sisters Congregational Chapter: Seeking the Plan of God going forward given the realities being addressed.

***An evening of relaxation at the Chapter – Drumming with Mr Nathi Khumalo.***



***(Left to Right) Sisters Anna Rose, Prudence Cooper & Lynne***  
*took time to explore nearby centres on a day off from the Chapter.*

The Trustees also participated in different meetings and programmes to better understand our roles and responsibilities as Trustees:

- ◆ Zoom Meetings regarding the Safeguarding responsibilities of the CIO as a Religious Group in the Safeguarding Services in the Catholic Church; updating and matters of importance.
- ◆ The Trustees met with experts to discuss the finances of the Charity and independent examination of its accounts, as well to remain compliant with rules and regulations.

### Future plans

The Trustees considered that the CIO will continue to care for the remaining Oakford Sister in England by visiting her as often as is possible given the distances involved and writing regularly to Sister and trying to keep her connected with the Congregation, given all the challenges of diminishment.

The Trustees will also continue to promote and work with *the Object of the CIO in the advancement of the Roman Catholic religion and other charitable work of the Congregation* (Constitutions of the CIO 1165125, no.3 page 2).

The diminishing numbers and age profile of the members of the Congregation suggests that larger projects are not likely to be attempted. Each member will continue to give herself and live the Gospel Values in ways which invite and encourage others to do the same. The resources will be monitored to ensure that the assets, material and spiritual will be for the benefit of those being cared for in their senior years.

The Trustees acknowledge with deep gratitude the support and guidance provided by the Provincial Leadership of the British Province of the Daughters of Charity of St Vincent de Paul. The financial and administrative support of their personnel has been invaluable to the CIO and Trustees.

We also thank the Congregations of the Holy Family Sisters of Bordeaux and Bushey Dominicans for allowing their Sisters to serve as Trustees. We thank the special Friends of the Charity who are always willing to support the tiny remnant of our Oakford Sisters in the St Vincent's Nursing Home in England. Without all the above-named persons, and so many others, we would not have been able to care for our Sisters as we have done. We thank you and promise you our prayerful support.

### Financial review for the year

#### **Results for the year**

The total income for the year was £110,912 (2021 – £97,679).

During the year, the charity incurred expenditure of £130,986 (2021 – £97,190). The majority of the expenditure relates to the costs of providing care for the elderly Sisters in the UK which amounted to £71,914 (2021 – £73,647).

The number of Sisters in the English Area has diminished drastically and during the year there was only one Sister remaining. The charity no longer operates any institutions and there is very little earned income. The Sisters volunteering in South Africa also donate their pensions to the charity to support those dependent on the charity in the UK.

Net expenditure for the year was £20,074 (2021 – net income was £489) before net investment losses of £386,967 (2021 – net gains of £237,987). This resulted in an overall net decrease in funds for the year of £407,041 (2021 – a net increase in funds of £238,476).



**Financial review for the year** (continued)

***Investment policy and performance***

In 2021, the Trustees made a decision to transfer their investments to Sarasin & Partners LLP following a review of their assets.

The Trustees meet annually with Sarasin & Partners to ensure the funds are managed in accordance with the ethical and religious principles of the Congregation. The aim of the portfolio is to enhance the capital value over the longer-term whilst generating sufficient income to support the ongoing activities of the Dominican Congregation of Saint Catherine of Siena of Oakford, Natal CIO.

The Trustees have invested in the Sarasin Climate Active Endowment CAI fund. The policy of this fund will avoid investments in tobacco, and restrict investments in arms, gambling, alcohol, pornography, thermal coal and tar sands.

In the year to 31 December 2022 the charity's investments generated an income return of 1.34% (2021 – 1.07%). The investments decreased in value and the capital loss for the year was 13.24% (2021 – a yield of plus 9.49%). Although these losses are of concern to the Trustees, our investment managers are working hard to stabilize the portfolio by adjusting the strategies to one of a fully global equity allocation. This will give the portfolio access to a wider and a more diversified investment universally and should enhance return and reduce the volatility of the portfolio.

***Reserves policy and financial position***

At the end of 2022, the total assets of the charity were £3.6 million (2021 – £4.0 million). Funds of £1 million (2021 – £1 million) have been designated to provide support for the older members of the Area. The Oakford sharing fund stood at £537,372 (2021 – £567,372) and is held primarily to finance Sisters from outside of the UK during visits to England for such matters as formation and sabbaticals. The remaining designated funds comprise £1.8 million (2021 – £1.8 million) to support the Congregation's overseas missions.

The general funds of the charity stood at £292,992 at 31 December 2022 (2021 – £670,033). This is higher than the Trustees' policy which is to hold around the equivalent of one year of recurring expenditure as free reserves. It is anticipated that deficits will occur in the next few years due to the increased costs of maintaining elderly Sisters and a re-assessment of financial needs is being undertaken which may result in additional amounts being withdrawn from designated funds.

Details of the funds and their composition are set out in the notes to the accounts.

**Governance, structure and management**

***Governance***

According to Church Law, the Congregation is governed at an international level by the Congregational Prioress and her Congregational Leadership Team of four Councillors with the Generalate/Headquarters in Johannesburg, South Africa. The leadership team is elected every six years at the General/Congregational Chapter by representatives of the four geographic Areas of the Congregation. One of the Councillors is responsible for the Sister in England; the other three Councillors each have responsibility for the Sisters in Germany, South Africa and the USA respectively.

### **Governance, structure and management (continued)**

#### **Governance (continued)**

Sister Paula-Mary recruits Trustees by approaching those who she thinks would suit the role and asks them to join a meeting with the current Trustees. If all Trustees are happy with the candidate, they will be invited to join the Trustee body.

In terms of civil law in England, the charity is governed by its constitution which is dated 11 January 2016. It is a registered charity – the Charity Registration Number is 1165125. Two of the Trustees are members of Dominican Congregations and therefore have a good sense and knowledge of “The Dominican Congregation of Saint Catherine of Siena of Oakford, Natal CIO” charity and its structure. The third member, also from a Religious Congregation, has had much experience serving as a trustee in other charities. Following the year end, a lay Trustee was appointed.

#### **Trustees’ responsibilities statement**

The Trustees are responsible for preparing the report of the Trustees 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 period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

#### **Structure and management reporting**

The Trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments in connection with the charity and its activities and make important decisions. They seek the advice of the charity’s professional advisers, including investment managers, accountants, property consultants and solicitors.

**Governance, structure and management** (continued)

***Key management personnel***

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

All Trustees who served during the year are members of Religious Congregations and they receive no remuneration or reimbursement of expenses in connection with their duties as Trustees or their work as key management.

***Public benefit***

The Trustees have had regard to the guidance on public benefit issued by the Charity Commission.

***Risk management***

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces, categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the charity should those risks materialise.

The Trustees have identified five main areas where risks may occur: governance and management; operational; financial; reputational; and regulatory.

**Governance and Management** looks at the risk of the Congregation, and hence the charity, suffering from a lack of membership and capacity in the area of skills and training, a lack of direction, and good creative use of its resources.

**Operational** looks at the risks inherent in the charity's activities including, for example, the members of the Congregation engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, and poor health and safety.

**Financial** risks include those arising as a result of global markets falling, poor budgetary control, inappropriate spending, poor accounting and inappropriate investment policies.

**Reputational** looks at possible damage to the Congregation's, and hence the charity's, reputation.

**Regulatory** looks at the effects of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment.

Having assessed the major risks to which the charity is exposed, the Trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational risks faced by the charity, they have established effective systems to mitigate those risks.

**Governance, structure and management** (continued)

***Risk management*** (continued)

The key risk for the charity is described below, along with the principal ways in which it is mitigated:

- ◆ 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 reputable investment managers who adhere to a policy agreed by the Trustees. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future. Given the current macroeconomic and geopolitical environment, and in the aftermath of the Covid-19 pandemic, the Trustees anticipate that capital values may fluctuate and related income may decrease in 2023 and 2024.

***Fundraising policy***

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. The charity received no complaints about its fundraising activities in either 2022 or 2021.

Barbara Peckham

Signed on behalf of the Trustees

Trustee

Approved by the Trustees on: 29/09/2023

## **Independent examiner's report** Year to 31 December 2022

### **Independent examiner's report to the Trustees of The Dominican Congregation of Saint Catherine of Siena of Oakford, Natal CIO**

I report to the Trustees on my examination of the accounts of The Dominican Congregation of Saint Catherine of Siena of Oakford, Natal CIO (the charity) for the year ended 31 December 2022.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

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

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

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

Amanda Francis, Chartered Accountant

17 October 2023

Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL



## Statement of financial activities Year to 31 December 2022

	Notes	2022 Total funds £	2021 Total funds £
<b>Income:</b>			
Donations	1	37,823	38,534
Investment income and interest receivable	2	73,089	59,145
<b>Total income</b>		<b>110,912</b>	<b>97,679</b>
<b>Expenditure:</b>			
Charitable activities			
Support of members of the Congregation and their ministry	3	130,986	97,190
<b>Total expenditure</b>		<b>130,986</b>	<b>97,190</b>
<b>Net (expenditure) income for the year before net investment (losses) gains</b>	5	<b>(20,074)</b>	<b>489</b>
<b>Net investment (losses) gains</b>	7	<b>(386,967)</b>	<b>237,987</b>
<b>Net movement in funds</b>		<b>(407,041)</b>	<b>238,476</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward at 1 January 2022		<b>4,037,405</b>	3,798,929
Total funds carried forward at 31 December 2022		<b>3,630,364</b>	<b>4,037,405</b>

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

All income and expenditure for the above two financial periods was unrestricted.

All of the charity's activities derived from continuing operations during the above two financial periods.

## Balance sheet 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Investments	7		2,536,237		2,923,190
<b>Current assets</b>					
Debtors		—		400	
Cash at bank and in hand		1,120,288		1,139,856	
		<u>1,120,288</u>		<u>1,140,256</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	8	(26,161)		(26,041)	
<b>Net current assets</b>			<u>1,094,127</u>		<u>1,114,215</u>
<b>Total net assets</b>			<u>3,630,364</u>		<u>4,037,405</u>
<b>Represented by:</b>					
<b>The funds of the charity</b>					
Unrestricted funds					
. General funds			292,992		670,033
. Designated funds	9		3,337,372		3,367,372
			<u>3,630,364</u>		<u>4,037,405</u>

Approved by the Trustees  
and signed on their behalf by:

Barbara Peckham  
Trustee

Approved on: 29/09/2023

## Statement of cash flows Year to 31 December 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(92,643)	(59,056)
<b>Cash flows from investing activities:</b>			
Investment income received		70,781	58,983
Interest received		2,308	162
Purchase of investments		—	(2,000,000)
<b>Net cash provided by (used in) investing activities</b>		<b>73,089</b>	<b>(1,940,855)</b>
<b>Change in cash and cash equivalents in the period</b>		<b>(19,554)</b>	<b>(1,999,911)</b>
<b>Cash and cash equivalents at 1 January 2022</b>		<b>1,139,856</b>	<b>3,139,767</b>
<b>Cash and cash equivalents at 31 December 2022</b>	B	<b>1,120,302</b>	<b>1,139,856</b>

### Notes to the statement of cash flows for the year to 31 December 2022

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

	2022 £	2021 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(407,041)</b>	<b>238,476</b>
<b>Adjustments for:</b>		
Losses (gains) on listed investments	386,967	(237,987)
Investment income receivable	(70,781)	(58,983)
Interest receivable	(2,308)	(162)
Decrease (increase) in debtors	400	(400)
Increase in creditors	120	—
<b>Net cash used in operating activities</b>	<b>(92,643)</b>	<b>(59,056)</b>

#### B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	1,120,288	1,139,856
Cash held by investment managers	14	—
<b>Total cash and cash equivalents:</b>	<b>1,120,302</b>	<b>1,139,856</b>

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

## **Principal accounting policies 31 December 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 to 31 December 2022 with comparative information given in respect to the year to 31 December 2021.

The charity was incorporated on 11 January 2016 in England and Wales. The address of the administrative office of The Dominican Sisters of the Congregation of Saint Catherine of Siena of Oakford English Area is Provincial House, The Ridgeway, Mill Hill, London, NW7 1RE.

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 are presented in sterling and are rounded to the nearest pound.

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.

### **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 one year from the date of approval of these accounts.

The Trustees acknowledge and recognise the effect of the current macroeconomic and geopolitical environment and also the effect of the aftermath of the Covid-19 pandemic on society including the charity. Whilst they recognise that there may be some negative consequences such as fluctuations in the value of the investment portfolio and reductions in related income, the Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

With regard to the year ending 31 December 2023, the most significant areas that may affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (please see the investment policy and the risk management sections of the report of the Trustees for more information).

## Principal accounting policies 31 December 2022

### **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates.

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

- ◆ estimating the size of the retirement reserve created in order to provide for the continuing care of the members in their retirement and determining other designations; and
- ◆ assessing future income and expenditure flows for the purpose of confirming that the charity is a going concern.

The Trustees have assessed the impact of the aftermath of the Covid-19 pandemic and the current macroeconomic and geopolitical environment on the charity's future income and expenditure flows and on its financial position especially in the light of the performance of investments values (see assessment of going concern above).

### **Income recognition**

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

Income comprises donations and investment income, and in the prior period, the surplus on the sale of tangible fixed assets.

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.



### **Expenditure recognition**

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include costs in respect to the support of members of the Congregation and enabling their ministry, including governance costs.

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 it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment, and a suitable working environment.

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

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Congregation and enabling their ministry.

### **Fixed asset investments**

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

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

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

## **Principal accounting policies 31 December 2022**

### **Debtors**

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

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

### **Creditors**

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Fund accounting**

The funds of the charity comprise unrestricted funds available for use in furtherance of the charity's objectives at the discretion of the Trustees. Within the total unrestricted funds are three designated funds – the retirement fund, the Oakford sharing fund and the overseas missions fund. Details of these funds are provided in note 9.

### **Services provided by members**

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

# 1 Donations

	2022 Total funds £	2021 Total funds £
Pensions of individual religious received under deed of covenant and gift aid	37,823	38,534

# 2 Investment income and interest receivable

	2022 Total funds £	2021 Total funds £
<b>Income from listed investments</b>		
. Unit trusts	—	6,065
. Multi asset funds	70,781	52,918
	70,781	58,983
<b>Interest received</b>		
. Investment Interest	18	16
. Bank interest	2,290	146
	73,089	59,145

# 3 Support of members of the Congregation and their ministry

	2022 Total funds £	2021 Total funds £
Sisters' living and personal expenses	18,407	4,202
Nursing care and medical costs	71,914	73,647
Education, training and spiritual renewal	30,000	12,000
Support costs	7,095	5,121
Governance costs (note 4)	3,570	2,220
	130,986	97,190

# 4 Governance costs

	2022 Total funds £	2021 Total funds £
Professional fees	3,570	2,220

**5 Net (expenditure) income for the year before net investment (losses) gains**

This is stated after charging:

	2022 Total funds £	2021 Total funds £
Independent examiner's remuneration		
. Independent examination	2,400	2,280
. Tax compliance services	1,170	—
	<b>3,570</b>	<b>2,280</b>

**6 Taxation**

The Dominican Congregation of Saint Catherine of Siena of Oakford, Natal CIO is a registered charity and, therefore, is not liable to income tax or capital gains tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**7 Investments**

	2022 £	2021 £
<b>Listed investments</b>		
Fair (market) value at 1 January 2022	2,923,190	685,203
Additions	—	2,000,000
Net unrealised investment (losses) gains	(386,967)	237,987
Fair (market) value at 31 December 2022	2,536,223	2,923,190
Cash held by investment managers	14	—
	<b>2,536,237</b>	<b>2,923,190</b>
 Cost of listed investments at 31 December 2022	 <b>2,669,858</b>	 <b>2,669,858</b>

Listed investments comprised the following:

	2022 £	2021 £
Sarasin Climate Active Endowment Fund	2,536,223	2,923,190

**8 Creditors: amounts falling due within one year**

	2022 £	2021 £
Accruals	2,400	2,280
Amount administered on behalf of a member of the Congregation	23,761	23,761
	<b>26,161</b>	<b>26,041</b>

## 9 Designated funds

The income funds of the charity include the following funds which comprise monies set aside by Trustees for a particular purpose.

	At 1 January 2022 £	Transfers £	Net income £	At 31 December 2022 £
Retirement fund	1,000,000	—	—	1,000,000
The Oakford sharing fund	567,372	(30,000)	—	537,372
Overseas missions fund	1,800,000	—	—	1,800,000
	<b>3,367,372</b>	<b>(30,000)</b>	<b>—</b>	<b>3,337,372</b>

The transfer of £30,000 was for ongoing formation. This was approved by the Leadership Team of the Congregation and the Trustees in order to provide a payment to support the Congregation Chapter in South Africa.

	At 1 January 2021 £	Transfers £	Net income £	At 31 December 2021 £
Retirement fund	1,000,000	—	—	1,000,000
The Oakford sharing fund	579,372	(12,000)	—	567,372
Overseas missions fund	1,800,000	—	—	1,800,000
	<b>3,379,372</b>	<b>(12,000)</b>	<b>—</b>	<b>3,367,372</b>

### **Retirement fund**

A fund has been designated to provide for the charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members.

### **The Oakford sharing fund**

This fund is intended for:

- ◆ Future housing needs of the Sisters of the Congregation in the UK (either within the UK or overseas) and South Africa;
- ◆ Ongoing formation, sabbaticals and living expenses for the Oakford Dominican Sisters visiting the UK from other Areas of the Congregation;
- ◆ Use by the Congregation's Leadership when visiting and working with the Oakford Dominican Sisters in England.

### **Overseas missions fund**

This fund comprises monies available to support the Congregation's overseas missions. There is no time frame for expenditure from this fund.



# 10 Analysis of net assets between funds

The fund balances are represented by the following assets and liabilities:

	Designated funds £	General funds £	Total net assets £
<b>Fund balances at 31 December 2022 are represented by:</b>			
Investments	2,536,237	—	2,536,237
Current assets	824,896	295,392	1,120,288
Current liabilities	(23,761)	(2,400)	(26,161)
<b>Total net assets</b>	<b>3,337,372</b>	<b>292,992</b>	<b>3,630,364</b>
<hr/>			
	Designated funds £	General funds £	Total net assets £
<b>Fund balances at 31 December 2021 are represented by:</b>			
Investments	2,923,190	—	2,923,190
Current assets	467,943	672,313	1,140,256
Current liabilities	(23,761)	(2,280)	(26,041)
<b>Total net assets</b>	<b>3,367,372</b>	<b>670,033</b>	<b>4,037,405</b>

The total unrealised (losses) gains as at 31 December 2022 constitute movements on revaluations and are as follows:

	2022 £	2021 £
<b>Total unrealised (losses) gains included above:</b>		
On investments	(133,635)	253,332
<b>Reconciliation of movements in unrealised gains</b>		
Unrealised gains at 1 January 2022	253,332	80,132
Net (losses) gains arising on revaluation in the year	(386,967)	173,200
<b>Unrealised (losses) gains at 31 December 2022</b>	<b>(133,635)</b>	<b>253,332</b>

# 11 Staff costs and remuneration of Trustees and key management personnel

No Trustee received any remuneration or reimbursement of expenses in connection with their duties as Trustees (2021 – none).

During the year, the total amount donated by the Trustees to the charity was £nil (2021 – £nil).

During the year to 31 December 2022 the charity employed no staff (2021 – none) and therefore incurred £nil staff costs (2021 – £nil).

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

Other than the items disclosed above, there have been no related party transactions during the period.

**12 Ultimate control**

The charity, which is constituted as a CIO, was controlled throughout the period by the Dominican Congregation of Saint Catherine of Siena Oakford, Natal by virtue of the fact that the Congregational Prioress appoints the Trustees.