CONGREGATION OF OUR LADY, CANONESSES OF ST. AUGUSTINE CIO

England & Wales · Charity number 1166361

Details

Other names	CSA
Status	Registered
Legal form	CIO
Registered	2016-04-05
Register	View on the Charity Commission register

Contact

Address	Delegation Office 35 Maude Terrace London E17 7DG
Phone	0203 149 8732
Email	delegate@csacio.org.uk
Website	www.cnd-csa.org

Activities

Objects: 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 VICAR SHALL FROM TIME TO TIME THINK FIT.

Activities: We are a small group of Roman Catholic sisters, part of an international Congregation dedicated to education. Mostly elderly, we are involved in various ways in our local communities. We have a special concern for social justice and environmental issues. We make small donations to educational projects in other parts of the world.

Downloaded from opencharities.uk/ew/1166361

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Scotland
- Cambridgeshire
- East Sussex
- Hammersmith And Fulham
- Kensington And Chelsea
- Norfolk
- Waltham Forest

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£506,309	£1,026,714	£11,022,292	15
2024-08-31	£504,005	£1,056,148	£11,493,444	15
2023-08-31	£490,825	£1,020,184	-	-
2022-08-31	£395,842	£19,936,686	-	-
2021-08-31	£458,252	£1,369,582	-	-

Downloaded from opencharities.uk/ew/1166361

Trustees

Name	Role	Appointed
SISTER JENNIFER MARY DINES	Chair	2009-12-07
Judith Bourne		2023-11-15
MR TIM HAIGH		2016-11-23
RAYMOND VERLEY		2016-09-01
SISTER CHRISTINA BROWN		2013-09-01
SISTER MARIE ROBIN		2009-12-07
Sister Jo Langford		2017-11-10
Sister Linda Margaret Teer		2023-10-26

Downloaded from opencharities.uk/ew/1166361

CONGREGATION OF OUR LADY, CANONESSES OF ST. AUGUSTINE CIO

England & Wales - Charity number 1166361

Accounts

Charity registration number 1166361 (England and Wales)

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sr J V Langford Sr M Robin Sr L M Teer Sr C E Brown Sr J Dines Mr T Haigh Mr R Verley Ms J Bourne
Charity number	1166361
Principal address	Delegation Office 35 Maude Terrace London E17 7DG
Auditor	James Todd and Co Limited Drayton House Drayton Lane Chichester West Sussex PO20 2EW
Bankers	Lloyds Business Banking 4th Floor 125 London Wall London EC2Y 5AS Epworth Investment Management Limited 9 Bonhill Street London EC24 4PE
Solicitors	Holmes and Hills LLP Bocking End Braintree CM7 9AJ
Investment advisors	JM Finn & Co 25 Copthall Avenue London EC2R 7AH Greenbank Investments 30 Gresham Street London EC2V 7QN

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

CONTENTS

	Page
Trustees' report	1 - 13
Statement of Trustees' responsibilities	14
Independent auditor's report	15 - 18
Statement of financial activities	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 - 36

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Congregation of Our Lady, Canonesses of St Augustine (CSA) is an international Roman Catholic religious order, founded in Lorraine (now part of France) in 1597. According to our founders, our aim is to 'do good to all and harm to none' (Saint Peter Fourier) and 'to do all the good possible' (Blessed Alix Le Clerc). At the beginning, this was primarily to be done by opening schools and providing free education for girls 'both rich and poor alike.' Nowadays, we dedicate ourselves to the work of education and human development in all its aspects. We have a preference for helping those in greatest educational need, and we place particular emphasis on addressing the causes of poverty and injustice. We currently number a little over 300 Sisters worldwide and about 250 Associates (members of the Congregation who support its work and ethos but do not make vows) in Africa, Asia, South and Central America and Europe. Sisters first came to Britain from France in the early twentieth century. At the end of the accounting year, we were 14 Sisters in Britain (the Delegation of Great Britain), aged between 62 and 104 living in different parts of England and Scotland. There were also 18 Associates living in England, Ireland, Scotland and Africa.

According to the Delegation's charitable incorporation document ('the CIO Constitution'), dated April 5th, 2016, the general objective of the Charity is '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 Delegate shall from time-to-time think fit.'

The Constitutions proper to the Congregation (the Constitutions'), written in 1640 and revised in 1984, make this clear: 'whatever our work, ... our desire as religious and educators is to promote the development and growth of the whole person and to make our contribution to the recognition of each person's dignity (5).' The Constitutions also insist that human development cannot happen without the promotion of human rights and other aspects of social justice, and this too is reflected in our objectives. The advanced age of most of the Sisters means that our contributions are mainly voluntary, and often of modest scope, but they are many and various, according to each one's abilities. In the spirit of our Constitutions 'we all take part in this mission, whatever our age, our state of health or our abilities (6).'

The range of both individual and communal contributions to the charity's aims and objectives, and the impact these have had on a variety of people, are set out in the later part of this report, 'Achievements and Performance.'

NB. For the purposes of this report, the terms 'Charity' and 'Delegation' are interchangeable.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

Strategies for achieving aims and objectives

Our primary aim is to ensure that the Charity remains viable through good governance and good financial management in line with the Social Teaching of the Roman Catholic Church so that all the Sisters are able to live out their religious lives in the service of education to the very end.

A. **Our main strategies have been**:

1. Promoting the personal well-being of each Sister.
2. Maintaining and improving health care and material support for each Sister.
3. Ensuring that our finances remain sufficient for both present and future needs.
4. Attempting to balance ethical investing with achieving satisfactory returns.
5. Maintaining financial solidarity with the Congregation and contributing to educational projects elsewhere.
6. Working towards long-term stable governance.

B. Specific objectives have been:

1. To promote wellbeing through good safeguarding practices.
2. To provide the best possible healthcare and accommodation for all the Sisters.
3. To maintain and improve financial good practice. This includes:
   - continuing to monitor recipients of grants made from proceeds of the sale of More House in 2021.
   - extending the scope of the Finance Committee.
   - revising the Delegation's long-term financial forecast.
1. To work towards improving our investment income.
2. To maintain an annual quota to the General Council and to respond to appeals of various kinds.
3. To review current governance and administration and to start planning for future needs.

The steps taken to achieve these strategies and objectives were as follows:

A. Achieving our main Strategies

1. Wellbeing.

By careful monitoring of the Sisters' living conditions and finances and by maintaining and updating our safeguarding practices, the Trustees have ensured that the Sisters are able, as far as age and health permit, to fulfil their religious and educational commitment in a wide variety of ways.

2. Material Care.

24-hour care for the elderly and infirm Sisters at St Leonards on Sea in East Sussex continues to be provided, under the management of a full-time, non-resident Care Manager.

The needs of the Sisters living elsewhere are monitored by the Care Manager through personal contact (phone calls and emails) and visits.

The refurbishment of a house in London is well underway. When ready, this house will be well adapted to the needs of the Sisters living there.

3. Monitoring of Finances.

This is achieved through quarterly reviews at Board meetings, approval by the Trustees of the annual budget and revision of a long-term financial forecast.

4. Investment Management.

We have pursued our aim to achieve a return on our investments that is balanced between capital growth and income, all with a low to medium risk profile. We have excluded investments that run counter to our ethical convictions and increasingly we favour impact investments in the service of people and planet. Concerned by poor performance over against selected benchmarks, we have begun to reconsider our exclusions and to make some potentially positive changes.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

5. Financial Solidarity.
We have continued to support our Sisters worldwide as well as contributing to several other organisations which share our educational vision.

6.Governance and Administration.
Bearing in mind that the smooth running of the Delegation requires the expertise of several key lay officers and that these will need to be replaced when they retire, we are about to undertake a major reappraisal of our administrative needs and governance structures.

B. Meeting Specific Objectives

1.Wellbeing through Safeguarding.
The Trustees are aware of the importance of safeguarding for the wellbeing of both Sisters and staff. Safeguarding is therefore a standing item at Board meetings, consisting of briefings and updates from the Chair, the Safeguarding Trustee, the Safeguarding Lead (appointed in November 2024) and other members of the Safeguarding Group.

The Charity is a member of both the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS). The CSSA has mandatory auditing powers. The Charity's audit, expected in November 2024, was postponed by the CSSA and is still to take place. The RLSS, which exists to give advice and help on safeguarding matters, has been found helpful on numerous occasions. The Safeguarding Lead attended the annual RLSS AGM and Conference in March 2025.

Financial Aspects

a. CSSA. For the first three years of its existence (2022-2025) an annual *per capita* fee of £85 was levied on all members. In May 2025 a new contract was proposed and was approved in principle by the Board. If it comes into effect, as is very likely, the annual fee should be somewhat reduced.
b. RLSS. Up until now a *per capita* fee of £115 has been paid on or around 1st April each year. As from April 2025 a new fee structure has come into effect. This will no longer be *per capita*, but a fixed sum depending on the total number of sisters and lay employees (i.e. all who come under the charity's safeguarding responsibility). For the Delegation, which qualifies as a medium sized Religious Life Group (RLG), this is likely to be set at £3,000, double the current *per capita* sum. Although concerned by the increase, the Trustees acknowledge that the new system is necessary for the RLSS to remain viable.

Safeguarding Policies
The Charity's safeguarding policy has been revised. It has been approved both by the Board and by the RLSS.

The updating of a separate 'Code of Conduct: Bullying and Harassment' was nearing completion at the end of the financial year. Both policies are revised annually.

Safeguarding Resources
The RLSS organises dedicated training sessions for Trustees, Safeguarding Leads and others concerned. After each training, the participant is issued with a certificate of attendance; these certificates are taken into account when a charity is audited by the CSSA. A record is kept by the Safeguarding Lead who also alerts individuals when trainings need to be renewed. At the end of the year, all trainings were up to date.

DBS checking
The Safeguarding Lead is also responsible for dealing with DBS checks. By the end of the year, DBS checks were up to date for all relevant Delegation members and all members of the Charity's staff.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

2.Material Care

a) Healthcare

Twenty-four-hour care has been maintained at St Leonards by means of a rota system of regular contracted nurses, carers and cooks supplemented, when necessary, by agency staff. All are under the management of a full-time, non-resident Care Manager.

The health and accommodation needs of the Sisters living elsewhere are monitored by the Care Manager. Through personal contact, including visits, she assesses their state of health, the suitability of their accommodation, their end of life wishes and so on. Where necessary, she assists with making or updating wills and setting up Powers of Attorney.

A monthly online Care Forum to which the Care Manager belongs has proved a valuable external resource. It is an initiative of the Healthcare Team at the Conference of Religious (CoR) covering various relevant topics, with input from experts and opportunities for sharing information and concerns. Other meetings organised by CoR have been attended by two of the Trustees with a particular interest in care for the elderly.

b) Accommodation

The Trustees' main focus this year has been on the upgrading of the house owned by the Charity in Walthamstow, East London. This property serves as a small local community of Sisters and is also the official address of the Charity which has its office there. It is currently being enlarged and refurbished to provide:

- Better facilities and more space for the existing community, with provision for extra members, short-term visitors and local group meetings.
- Greater energy efficiency and improved layout and fittings to meet the present and future needs of active but elderly members.
- Separate living and working space for the Delegate within the main house.
- A free-standing building in the grounds for the Charity Office and, at least for the time being, the Delegation Archives.

In 2024 Potter, Church and Holmes, Architects were appointed to carry out the project. After many delays, planning permission was obtained on November 15th, 2024. After several revisions of the plans to bring them into line with the budget and following all due diligence, the firm of Clements Construction Ltd was appointed to carry out the work, which finally began on September 15th, 2025, and which is scheduled for completion by March 2026.

3.Finance.

a) As usual, the Trustees received and discussed reports from the Delegation Bursar at their quarterly meetings.
b) Taking into account the recommendations of the Finance Committee, they approved the annual budget in August 2025.
c) In order to make better use of the Finance Committee, special meetings were held to discuss the Charity's income and expenditure ahead of meetings with the investment managers and these meetings were opened to fuller participation by Trustees and interested Sisters.
d) A revision of the Charity's long-term financial forecast was undertaken, according to the model used by the Sisters worldwide. This covers demographic assumptions and their likely financial consequences for a period of twenty years.

Further details can be found in the section 'Financial Review' on pages 9-10 below.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

4.Investments.

We have continued to interact with Greenbank Investments and J.M. Finn, our investment managers, in prioritising companies trying to bring about improvements in society and the environment, e.g. by developing new kinds of green energy. At the same time, we have been concerned at the consistently poor performance of the portfolios against several agreed benchmarks. We are aware that the better performance of these benchmarks depends in part on the fact that they invest in profitable companies excluded so far by us on ethical grounds (it is in fact difficult to find benchmarks which are completely appropriate for our Charity profile). To reduce the disparity, we have begun a reappraisal of our criteria for excluding certain areas and companies. Some changes have already been made, without our ethical stand being compromised, and others are expected to follow next year.

5. Solidarity.

a) As in previous years, we allocated £50,000 to the General Council of the Congregation. This annual payment is to help the General Council carry out its mandate of coordinating the life and work of the Congregation worldwide. An account of how the General Council spends the money it receives from the various parts of the Congregation is provided during an annual Extended General Council meeting at which the Delegate (the Chair of Trustees) is present.

b) The Delegation receives appeals from various national and international projects. These must fulfil certain criteria, such as being primarily educational in purpose, and of modest scope. An Appeals Committee of Sisters looks at applications received during the year and makes proposals at the annual Delegation Meeting which this year took place in the first week in September, after the end of the financial year. As the allocated sum of £20,000 was budgeted for in the 2025 financial year, the allocations are noted here as follows:

i) £3,000 to Advance Myanmar, an umbrella organisation which includes the Karenni Student Development Programme (KDSP) for young ethnic people forced from their homes by the Myanmar regime and in need of help with tertiary education. Since, however, a satisfactory report of how the donation of £4,750 in 2024 had been spent has not as yet been received, the money has been withheld pending a satisfactory update

ii) £4,500 to Congo Prisoners: supporting some of our Sisters in the Democratic Republic of Congo in the provision of food and legal services to prisoners who would otherwise struggle to survive. Here too, payment is being withheld pending an up-to-date report on last year's donation of £5,500.

iii) £7,750 to Bega kwa Bega (Swahili for "Shoulder to Shoulder"), a Ugandan charity founded 'for communities in need' by an old pupil of the school in Uganda once run by the Sisters.

iv) £2,000 to the Shri Bhagawati Lower Secondary School in a remote and poor area of Nepal, which continues to make good progress.

v) £2,750 to the St Pierre and Alix Life Skills Training College, Naddangira, Uganda for the equipping of a new multi-purpose hall to qualify as a local examination centre. The college was founded by other ex-pupils of the school once run by the Sisters.

In all cases, overseas donations are tracked by means of receipts, letters and written reports which are kept on file.

vi) Periodic discussions are ongoing with the following recipients of grants from the sale of More House who have adjusted their plans and re-profiled the expenditure associated with the grants awarded to them:

a. St Mary's University Horizon Summer Schools: £26,000 to be held over for the summer school in 2025.
b. The Centre for Alternative Technologies (CAT): £230,000 for redevelopment of their Straw Bale Theatre educational space remains to be disbursed.
c. The Margaret Beaufort Institute of Theology (MBIT): after major reorganization following covid and a move into new premises, the sum of £375,250 remains to be disbursed. In the meantime, this designated sum has been put into an Epworth easy access interest bearing account where the Delegation can benefit from the interest.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

6.Governance and Administration.

a. The various Working Groups set up last year have continued to spread the Trustees' workload. An HR Group whose remit would include the annual salary review is still to be constituted.
b. The Finance Committee, constituted in 2022, exists primarily to help with the preparation of the annual budget and the monitoring of the investments. As well as the meeting to discuss the budget, there have been several meetings to discuss in depth the charity's financial situation prior to meetings with the investment managers. These meetings were open to any of the other trustees who wished to participate and several did. An ad hoc group was also formed to research the question of investment exclusions.
c. In order to monitor the refurbishment project at Walthamstow, an ad hoc group has been constituted consisting of two Trustees, the Executive Director and one other Sister.
d. The Board has been kept up to full strength by several reappointments:
    - In January 2025, Sr Christina Brown was reappointed by the Chair (Sr Jennifer Dines) as a Trustee for a further three years.
    - In June 2025, Sr Jennifer Dines was reappointed as Delegate by the Superior General (Sr Cécile Marion) for a further three years. As Delegate, she remains Sole Member of the CIO and *ex officio* Chair of Trustees.
    - In June 2025, Mr. Timothy Haigh, Trustee, was reappointed by the Chair as Vice-Chair for a further year.

At the beginning of the year, all the Trustees had the opportunity to set up personal accounts with the Charity Commission to gain access to the Charity's reserved material on the website. One of the Trustees was also given Authorised Access status in addition to the Chair so that the Commissioners will have a means of contacting the Charity in the event of the Chair's absence. The Executive Director, the Bursar and a member of the Charity's audit firm were given Third Party Access to essential information.

Achievements and performance

Significant activities and achievements against objectives

We ended the financial year with 14 Sisters. Six of them live together at St Leonards on Sea, East Sussex; one is in a care home in Scotland and the rest live either individually or in pairs in London and East Anglia. For those now infirm, their main invaluable - contribution is prayer. Those who are still active to a greater or lesser extent (including some well into their eighties, or even nineties) have engaged in a wide variety of activities, as can be seen in the following survey of the public benefit provided first by the community at St Leonards and then by the Sisters living elsewhere. The public benefit is grouped under several headings.

St Leonards on Sea, East Sussex

1. Helping People in various ways

Two are volunteers at the local hospice, St Michael's, and visit people in their homes as part of the hospice's 'Neighbours' service. One of them works one afternoon a week in the Sara Lee Trust charity shop. She makes 'twiddle-muffs' which give comfort and interest to people with dementia. A valuable service of another kind is to listen to people who bring their problems to the Sisters and to offer sympathy, support and, if appropriate, advice.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

2. Hospitality

Visitors, including friends, former colleagues, retired staff and other Sisters are welcomed for chats, meals or for longer stays.

3. Church and Interfaith Involvement:

- Carrying out the role of reader in the parish church, and taking communion to the sick and housebound.
- Participating in two local Julian Prayer Groups.
- Belonging to a local Interfaith Forum and maintaining social contacts with local Anglican and Independent church groups.
- Knitting sets of nativity figures for an ever-growing clientèle in churches and families.
- All pray constantly for the varied needs of the Church and the world both individually and communally and also for the growing number of people who make their needs known to them.
- A new group meets monthly in one of the Community's two chapels to pray for world peace

4. Education, Justice and Development

Individually, the Sisters support a wide range of national and international charities by means of small donations from their personal allowances. There is also a budget for donations in the name of the community as a whole. One Sister maintains telephone links with former pupils now running an educational project in Uganda.
They pray daily for peace and justice in parts of the world where there is conflict and oppression.

5. Professional

- One Sister – a former geography teacher - belongs to the local Geology Society and enjoys taking part in events and visits.
- Another Sister with a lifelong involvement in the Guide Movement, is Chair of a local Trefoil Guild and helps plan meetings and activities.

6. Ecological

As far as possible, the Sisters shop ethically and locally; they recycle materials and do whatever else they can to protect the environment. Pope Francis' encyclical letter, Laudato Si', on care for our common home, has been their guide in making decisions affecting everyday life. This year they have made special efforts to save electricity and water and to prevent wastage of any kind. Their large garden is entirely organic, with areas of re-wilding.

7. Filsham Hall

Another significant contribution to public benefit comes from the availability of the freestanding Filsham Hall to various local groups who rent it for their meetings. One of the Sisters oversees the practical arrangements. The building is appreciated especially by elderly and disabled people for its ease of access and its facilities.

Sisters living in London and East Anglia

The impact made by the Sisters living in other locations results from a wide range of activities, of which the following are just a few examples:

1. Helping People in various ways

- Support for someone with addiction and mental health issues
- Spending one day each week helping look after an elderly lady with dementia. This includes regular outings for meals and visits to places of interest. The relatives have remarked on the degree of improvement this has brought about.
- Helping Vietnamese refugees with their papers. Occasionally helping as an interpreter. Helping one day a week in a centre for migrants.
- Offering spiritual and psychological accompaniment to people who ask for it.
- Corresponding with, or telephoning, some lonely, disabled or depressive people in the UK and abroad.
- Being available to give transport in a rural area to people who need help getting to doctors' appointments and so on.
- Sharing wool with a Ukrainian refugee, a keen knitter with limited financial resources, and knitting warm clothes for friends who find heating bills challenging.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

2. Hospitality

- Welcoming individuals or groups who come to the house; helping with overnight visitors and with the cooking.
- Keeping up with former pupils, students and clients, offering support when needed.
- Keeping an open door and welcoming people who drop in to talk, sometimes needing a discreet ear in difficult circumstances.

3. Church and Interfaith Involvement

- Hosting several local church-related groups which meet regularly in the Sisters' house.
- Helping to run a weekly online Gospel sharing group (in Vietnamese).
- Keeping in touch with children with special faith needs and with adults whom this Sister had prepared for baptism.
- Participation in local parishes as readers, Eucharistic ministers etc.
- Numerous ecumenical and interfaith relationships and activities, including helping to organise a local Good Friday Walk.
- Praying for the needs of those affected by war, climate change, etc.
- Meeting and talking to strangers who are searching.

4. Education, Justice and Development

- Coaching some children with special needs, as a volunteer.
- Supporting church-based organisations such as CAFOD (humanitarian aid), Aid to the Church in Need (persecuted Christians) and Church Action on Poverty (an ecumenical Charity). One Sister writes: The organisations I support all have a strong educational content as they contribute in their different ways to promoting the full development of the human person.'
- Signing online petitions: 38 Degrees, Change.org, Cafod, Friends of the Earth, Avaaz and many more.
- Writing to MPs on matters of concern.
- Making small financial contributions to chosen charities.
- Participating in, or supporting, the Justice, Peace and Integrity of Creation Links Group, an ecumenical network of religious and lay representatives of religious orders working for justice in England and Wales.
- Keeping up to date by reading newspapers, journals etc. and passing on information.
- Acting as UK coordinator for a Ugandan charity.
- Helping to organise support for other projects in Uganda.
- Serves on the Council of the Margaret Beaufort Institute of Theology in Cambridge.

5. Professional

- One Sister, a Jungian analyst, offers low-cost analysis and psychotherapy to people who could not afford to pay high fees. She is a member of the Guild of Analytical Psychologists (GAP) and a full clinical member of the UK Council for Psychotherapy (UKCP), as well as of the International Association for Analytical Psychology (IAAP). She also teaches modules on GAP's 'Introductory Course to the Foundations of Analytical Psychology' (which she helped to set up) and the Postgraduate clinical training course. She is also a Reviewer for students and a convenor of a Review Committee.
- Another Sister is a retired member of GAP who continues on a voluntary basis to accompany people who ask for a combination of psychological and spiritual help.
- Another is a member of the Society for Old Testament Studies. (SOTS) and the International Organisation for Septuagint and Cognate Studies (IOSCS). She gives occasional help to students and other specialists in the field who contact her with queries. She contributed a session to one of the Margaret Beaufort Institute of Theology's online courses, 'Hearing Biblical Voices.'

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

6. Ecological

All do what they can to reduce plastic use, recycle waste, buy Fair Trade products and so on, and to open the eyes of those they come in contact with to these challenges.

- One Sister writes: 'As climate change and the lack of urgent response to it constitute the biggest threat to the future of humanity on our planet, I support organisations that are responding to this situation. These include CAFOD which emphasises the effects of climate change on the poorest people in the Developing World and Friends of the Earth. I sign the requests of the latter, especially those helping our Government to keep faithful to its promise to reduce carbon emissions and develop new technology to combat climate change. This organisation is continually challenging this Government's failure to fulfil their promises.'
- Another Sister takes every opportunity to raise awareness about the need for responsible use of resources in everyday life and for making ethical choices in investing money with a concern for both environmental protection and human well-being.
- Several who have gardens make conscious decisions to leave areas for wildlife (denying that this amounts to 'lazy gardening'!).

Summary

From the preceding selections, it can be seen that the Sisters, wherever they are, engage as fully as age and health permit in religious and educational work in accord with the charity's aims and objectives. They are inspired by the Congregation's motto "do good to all, do harm to none" to make whatever contribution they can in the fields of faith, education and justice, to the benefit of a wide variety of people and, in however small a way, to the well-being of the Earth itself.

Financial review

A summary of the year's results can be found from pages 19-21 of the financial statements.

Income

For the accounting year 2024-2025, total income was £506,309 as against £504,005 for the previous year. This represents an increase of £2,304. Income from pensions and allowances for Sisters was roughly equivalent to their living expenses. A notable exception was the Community living at St Leonards where, with diminishing numbers and a sizable property estate to manage, a quota of £42,000 from the Delegation was needed in 2025. There were no substantial gifts made to the Delegation this year. Income from dividends and interest was the primary reason for the increase in total income.

Expenditure

During the year, the charity incurred expenditure for maintaining the Sisters and enabling them to carry out their work amounting to £1,026,714 as against £1,056,148 in the previous year, a decrease of £29,434. The year ended with a deficit of £290,628, as against £552,330 in the previous year.

Net Assets

The net assets for this year end stand at £11,022,292 as against £11,493,444 in the previous year, a decrease of £471,152. The assets consist mainly of investments. At 31 August 2025, these investments amounted to £8,573,043, divided between two Growth Portfolios, a Retirement Portfolio and a Dowries Portfolio. Each of the two investment managers (Greenbank Investments and J M Finn) manages a Growth Portfolio, while J M Finn manages the Retirement and Dowries portfolios. This compares with £9,094,900 in the previous year.

Reserves policy

The charity's net assets stand at £11,022,292. Of these, £2,482,897 represents a capital fund consisting of properties lived in by the Sisters. The valuation of land and buildings represents the market value on 1st September 2014 and subsequently on 31 July 2024, following the introduction of Financial Reporting Standard 102. This valuation, updated from that of 1999 and from subsequent purchase prices, has considerably increased our net assets. However, as all properties are fully used for the charity's life and work, the policy on reserves remains as set out below.

The balance sheet shows reserves of £11,022,292 as against £11,493,444 in the previous year. The sum is divided between:

- Designated Reserves (capital, dowries, retirement etc.) of £3,978,753; and
- Unrestricted/Free Reserves of £7,043,539

The charity does not undertake fundraising or seek donations from outside of the charity, and for this reason it is necessary for the charity to maintain such high reserves:

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

The unrestricted reserves, are, in large part, invested in the growth portfolios to meet operational costs: quotas paid to Sisters and the Generalate and to supplement or 'top up' the Retirement reserves. The funds are augmented by investment income.

The designated reserves, are in large part represented by the retirement and dowries portfolios, the retirement reserves exist primarily to meet the current and future healthcare costs of all of the Sisters, right through to the end of their lives, a period of about forty years. The reserves are augmented by investment income and from the pension and benefit income from Sisters living in nursing homes. As the duty of the Trustees is to ensure that each Sister is provided for, right up until the time of her death, it is essential that the reserves be maintained at the level required for up to the next forty years, something that obviously necessitates substantial reserves. It is supplemented as required from the unrestricted reserves, which must therefore be sufficient to meet this need.

The dowries reserves exist to recognise the liability created by the money brought to the charity by the Sisters when they joined the Congregation, and to any inheritances received after joining. This means that, if a Sister leaves the Congregation, the monies concerned can be accessed readily and returned to her, or upon her death the funds can be released into the charity or passed on to beneficiaries in accordance with the terms of her will. During a Sister's lifetime, the charity is entitled to the income but not the capital of this fund. The restricted reserves, from time to time, require transfers from the unrestricted reserves.

The two principal sources of income for the charity are the pensions and allowances received by individual Sisters and the interest and dividends from investments.

Throughout the Congregation, a long-term financial forecasting model (LTF) is used to consider demographics and their financial implications, for up to 25 years ahead. Based on a number of assumptions, it is revised every two or three years. Using this model, the Trustees are able to remain mindful of their responsibility to ensure that reserves are managed effectively and with a view to long-term sustainability.

Investment Performance
The Charity investment portfolios have been constructed to:

1. Ensure the medium and long-term viability of the charity (Growth Portfolios);
2. Meet the immediate living expenses and healthcare needs of the Sisters (Retirement Portfolio);
3. Match the potential liability of the Dowries and Inheritances Portfolio held by the charity on behalf of its members. As of 31st August 2025 the value of funds under management was £7,613,573.

Each of the two investment managers manages a Growth Portfolio, while the Retirement and Dowries Portfolios are managed by J.M. Finn.

Performance, measured by total return, has rebounded during the year, but the Charity's continued exclusion of fossil fuel investments and low exposure to technology stocks has continued to restrain growth. Income across the two fund managers has held up, ranging between 1% and 4%. Performance is monitored by regular meetings of the Trustees with the investment managers.

The asset allocation for each of the three portfolio types, at the end of the year, is set out below:

	Dowries	Growth	Retirement
Fixed Interest & Cash	100%	15.9%	45.2%
Equities		73.9%	38.6%
Alternatives*		10.2%	16.2%

Alternatives* = investments providing exposure to alternative energy supplies, infrastructure, environmental and property types.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

A public benefit loan

£30,000 remains loaned to Oikocredit, and we are now direct investors. In 2025 we did not receive any dividends (2024: £148) in respect of this loan.

Major risks

The main risks identified for the year ending 31 August 2025 and the measures taken to mitigate them are as follows:

1. Governance

The rapidly decreasing number of Sisters capable of taking on governance and administration roles poses a serious risk. Some mitigating steps have already been taken: the Charity has engaged the services of more lay personnel to assist it where its own expertise and energies are limited: a part-time Bursar (2018), a part-time Executive Director (2019) and a full-time Care Manager (2020). These key persons are, however, due to retire in a few years' time necessitating plans for appropriate replacement. To meet this challenge, the trustees are about to undertake a review of the Charity's future administrative needs.

A further risk lies in the difficulty of maintaining a well-balanced board of Trustees when there are no new Sisters able to take on this role. The long-term future of the Charity and of its assets is ensured by its CIO Constitution, which allows for governance by the Congregation's General Council if and when needed. This will only be feasible, however, if structures adapted to the Charity's reduced size have been put in place. Research into this issue is to be undertaken as urgent.

2. Finance

The Trustees are mindful of the need to review regularly how the Charity operates and to ensure that its reserves are effectively managed for future survival. Although there is no immediate risk, serious planning is underway for medium and long-term viability. Loss of income from pensions and allowances as Sisters die is becoming more marked and will continue to have a negative impact. Healthcare costs for the remaining Sisters will increase exponentially, especially for staff salaries at St Leonards and potential nursing home fees. Major expenses are required to cover the accommodation needs of the Sisters elsewhere, which will only partially be offset by the sale of redundant properties. An increase in income from our investments is urgently needed and our investment strategy is now under review. However, the road map provided by the 20-year Long-Term Forecast which is nearing completion will help to ensure that the Charity does not run out of money.

3. Sponsorship Licensing

Stringent immigration laws make it difficult to obtain visas so that people from abroad, including religious Sisters, can participate in long term activities of the charity. In 2013, however, a Sponsorship Licence from the United Kingdom Visa and Immigration Agency (UKVI) was awarded for four years, enabling visas to be applied for annually (although with no guarantee that applications would be successful). The licence was successfully renewed in 2017 and 2021. From now on, the license will be renewed automatically. The Licence is for Tier 2 (Ministers of Religion) and Tier 5 (Temporary Worker / Religious Worker). A recently identified risk is that the same person fills the roles of both Authorising Officer and Key Contact; this is noted as needing to be addressed. Meanwhile, the services of a specialist immigration solicitor are available for help and advice when needed.

4. Safeguarding

Although the Charity has not been responsible for running schools for many years, the possibility of historic abuse claims being made against Sisters cannot be ruled out and this remains a risk, albeit a remote one. Efforts are being made to identify documentation from past insurance companies who would be responsible in the event of any compensation claims; this is however no easy matter. Current risks are minimised by the annual updating of policies and procedures which highlight the risk of bullying and harassment where vulnerable elderly Sisters are concerned. The Trustees regularly attend training sessions and workshops organised by the Charity Commission, the Catholic Safeguarding Standards Authority (CSSA) and the Religious Life Safeguarding Service (RLSS). All Sisters and employees involved in activities connected with children or vulnerable adults have DBS checks in place. The Delegation's Safeguarding Lead ensures that all trainings and checks are up to date.

5. Data sharing

Potential security risks in the sharing and storing of information are reduced by the provision of dedicated email addresses and reliable anti-virus software. The Charity engages the services of a specialist internet advisory company, JP2 IT. The computers of Trustees and main officers have been additionally protected by the installation of Bitlocker at start-up. Where necessary, laptops were replaced ahead of the switch from Windows 10 to Windows 11. There were no data breaches this year.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

Plans for future periods

1. Use of Properties

a) St Leonards: Filsham Lodge and Alix Lodge

We will continue to monitor the use of the two houses. Our aim over the next two to three years is to accommodate all the Sisters and staff in Alix Lodge. Once this is achieved, Filsham Lodge can be put on the market. From now on, therefore, only essential repairs will be done to this house. Following the revaluation of the two properties last year, further advice was obtained in February 2025 from the firm of Gerald Eve as to the development potential of the properties, both separately and together. The results were encouraging, as was clarification by the Hastings Borough Council as to the probable granting of planning permission. Details of the Land Registry titles for the properties are to be checked with a solicitor. Although there is no intention of immediately selling either property, the Trustees consider it prudent to have carried out these investigations in good time.

b) London, Walthamstow: 35 Maude Terrace

We have pursued our plans to upgrade and refurbish this property and they are nearing completion. Planning permission was finally accorded on November 15th, 2024. The work is currently being carried out by the firm of Clements Construction Ltd and is due to be finished by January 20th, 2026. An *ad-hoc* Property Group has been appointed by the Board to help monitor progress. The costs are being met by drawing down funds from our investments. It is expected that they will eventually be partially offset by the sale of a property elsewhere.

Research into new accommodation for the other sisters living in London is planned for the next couple of years.

2. Governance

Looking towards the future when the number of sisters will inevitably have diminished, it is important from now on to ensure that governance structures are adapted and appropriate. In this light, the Trustees intend to review future needs in order to gain a more realistic idea of what changes will need to be made in the next few years.

3. Monitoring of long-term financial forecasting

The Trustees will continue to monitor the demographic and financial assumptions for the next 20 years agreed in this year's revision of the long-term financial forecast and will adjust them whenever necessary.

The 2021 LTF was revised in the summer of 2023; the assumptions were re-examined, and the forecasting adjusted. A new revision is underway in 2025 and is nearing completion. In the light of the figures produced by the revised assumptions about demographics, income and expenditure (bearing in mind that the Charity has incurred a deficit for several years past), steps are being proposed to manage and reduce costs over the next twenty years, especially by re-organising care provision, rationalising administration and reviewing the use of properties.

Structure, governance and management

The Charity is a charitable incorporated organisation.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Sr J V Langford
Sr M Robin
Sr L M Teer
Sr C E Brown
Sr J Dines
Mr T Haigh
Mr R Verley
Ms J Bourne

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1. In terms of Canon Law, the Congregation is governed at international level by an elected Superior General and Council in accordance with the Congregation's own Constitutions. These were written in 1640, updated in 1984, and approved both times by the Vatican. The Congregation is organised in a number of broad geographic regions known as Vicariates (with their own governance structure) or, when numbers have diminished, as Delegations (depending more directly on the General Council). The UK has been a Delegation since 2016 (having been set up as a Vicariate in 1950). The Delegation is governed by a Delegate, appointed by, and answerable to, the Superior General. All the Sisters in the Delegation are welcome to discuss important issues and their opinions are taken into account. Associates are welcomed at meetings as non-voting members.

2. In terms of civil law, the Delegation (previously the Vicariate) was first governed as a registered charity by a Trust Deed dated October 1962, together with a Scheme dated June 1997; it was registered under the Charities Act 2011 as No. 229051. In March 2016 an application was made to the Charity Commission to become a Charitable Incorporated Organisation (CIO). The application was granted on 5th April 2016, and from that date the CIO Constitution became the charity's governing document, replacing the 1962 Trust Deed. A new charity number, 1166361, was assigned. The change-over became effective on 1st September 2016. Overall responsibility lies with the Delegate (appointed by the Superior General) who, as the sole member, appoints the Trustees. The Trustees are helped by a Bursar and an Executive Director, both appointed in 2018, and a Care Manager, appointed in 2020.

3. The Trustees who served during the year, consisted of the Delegate, four other members of the Delegation and three lay Trustees, one of whom is the General Council's Finance Director. The Executive Director is responsible for the day-to-day running of the charity and is the line-manager for mot other employees. Throughout the accounting year, the Trustees worked closely with the Executive Director, the Bursar, the Care Manager and various professional advisors. Formal meetings were supplemented by email and telephone contact. From March 2020 onwards, all meetings have been via Zoom or Microsoft Teams. New Trustees are appointed in accordance with the Constitution and are selected from persons with relevant charity experience and skills. On appointment, new Trustees are made aware of their responsibilities and are provided with background information on the charity and its objectives. Further training may be provided.

The Trustees' report was approved by the Board of Trustees.

Sr Jennifer Dines

.....

Sr J Dines

Trustee

Date: 13 / 04 / 2026

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

Opinion

We have audited the financial statements of Congregation of Our Lady Canonesses of St Augustine CIO (the 'Charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the charity and its activities, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, Data Protection Act, GDPR, and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, being FRS 102 and Charities SORP (FRS 102) (effective January 2019). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgemental areas of the financial statements.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management;
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations;
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations;
- Assessment of identified fraud risk factors;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud;
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business;
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.



Oliver Read FCCA ACA (Senior Statutory Auditor)
for and on behalf of James Todd and Co Limited

13 / 04 / 2026

Chartered Accountants
Statutory Auditor

Drayton House
Drayton Lane
Chichester
West Sussex
PO20 2EW

James Todd and Co Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	**3**	192,504	-	192,504	201,086	-	201,086
Charitable activities	**4**	9,768	-	9,768	9,713	-	9,713
Investments	**5**	228,874	73,033	301,907	215,482	77,724	293,206
Other income	**6**	2,130	-	2,130	-	-	-
Total income		433,276	73,033	506,309	426,281	77,724	504,005
Expenditure on:							
Raising funds	**7**	34,244	8,214	42,458	38,259	9,367	47,626
Charitable activities	**8**	660,811	323,445	984,256	688,476	320,046	1,008,522
Total expenditure		695,055	331,659	1,026,714	726,735	329,413	1,056,148
Net gains/(losses) on investments	**13**	(107,210)	(73,314)	(180,524)	437,054	107,092	544,146
Net expenditure		(261,779)	(258,626)	(520,405)	(300,454)	(251,689)	(552,143)
Other recognised gains and losses:							
Revaluation of tangible fixed assets		229,777	-	229,777	-	-	-
Other losses	**15**	-	-	-	(187)	-	(187)
Net movement in funds	**10**	(32,002)	(258,626)	(290,628)	(300,641)	(251,689)	(552,330)
Reconciliation of funds:							
Fund balances at 1 September 2024		7,182,751	4,310,693	11,493,444	7,046,338	4,455,290	11,501,628
Fund balances at 31 August 2025		7,043,539	3,978,753	11,022,292	7,182,751	4,310,693	11,493,444

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**16**		2,495,388		2,256,448
Heritage assets	**17**		400,000		400,000
Investments	**18**		8,573,043		9,094,900
			11,468,431		11,751,348
Current assets					
Debtors	**19**	20,344		14,325	
Cash at bank and in hand		603,437		792,011	
		623,781		806,336	
Creditors: amounts falling due within one year	**20**	(399,660)		(393,980)	
Net current assets			224,121		412,356
Total assets less current liabilities			11,692,552		12,163,704
Creditors: amounts falling due after more than one year	**21**		(670,260)		(670,260)
Net assets			11,022,292		11,493,444
The funds of the Charity					
Unrestricted funds - general	**24**		7,043,539		7,182,751
Unrestricted funds - designated	**23**		3,978,753		4,310,693
			11,022,292		11,493,444

The financial statements were approved by the Trustees on 13 / 04 / 2026

Sr Jennifer Dines

.....

Sr J Dines

Trustee

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash absorbed by operations			(781,848)		(880,738)
Investing activities					
Purchase of tangible fixed assets		(48,627)		-	
Purchase of investments		(926,698)		(1,512,134)	
Proceeds from disposal of investments		1,266,692		1,780,012	
Investment income received		301,907		293,206	
Net cash generated from investing activities			593,274		561,084
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(188,574)		(319,654)
Cash and cash equivalents at beginning of year			792,011		1,111,665
Cash and cash equivalents at end of year			603,437		792,011

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

1 Accounting policies

Charity information

Congregation of Our Lady, Canonesses of St Augustine CIO is a Charitable Incorporated Organisation governed by a constitution dated 5 April 2016. It is registered with the Charities Commission under charity number 1166361. The registered office is the Delegation Office, 35 Maude Terrace, London, E17 7DG.

The CIO was set up to take over the activities of the previously unincorporated trust from 1 September 2016. That charity was previously registered with the Charity Commission under charity number 229051 under the name of The Congregation of Our Lady Canonesses of St Augustine, and was governed by a trust deed dated October 1962 and a scheme dated June 1997.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Charity's constitution, the Charities Act 2011, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services and facilities are included at the value to the charity where this can be quantified.

Investment income is dividends and interest generated by the charity's share portfolios, as well as bank interest, and is recogniseed in the SoFA when receivable.

1.5 Expenditure

All expenditure is incurred in pursuit of the charity's objects as laid down in the constitution and is recognised in the accounts when payable. It includes irrecoverable VAT.

The costs of raising funds includes the fees paid to investment managers in respect of the management of the charity's investment portfolios.

Charitable expenditure comprises that related to running the Religious Communities and includes staff costs attributable to the activity. It includes both direct costs and support costs relating to such activities.

Support costs, including governance costs, are those functions that assist the deliverance of the charitable activities. Governance costs comprise expenditure for advice on constitutional and statutory matters and costs of compliance. Support costs wholly relate to the charitable activity of running the Religious Communities and so have been allocated wholly to that activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Fixtures, fittings and equipment	20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Freehold land, representing approximately one third of the deemed cost, and assets in the course of construction, are not depreciated.

Tangible fixed assets are capitalised if they can be used for more than 1 year and cost more than £5,000.

1.7 Heritage assets

Heritage assets are included in the accounts under the revaluation method, based on the most recent valuation obtained. The valuation is based on the best estimate by competent professionals, although consideration should be given for the uniqueness and inherent difficulty in valuing such items.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

1 Accounting policies **(Continued)**

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income or expenditure for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Legacies and dowries

Legacies and dowries are capital amounts held on behalf of individual Sisters during their lifetimes and are distributed in accordance with their wishes on death. The figure included in calculated as its historical cost when the Sisters joined, and is not re-measured to fair value at the year-end date. The Trustees believe this is to be the most appropriate policy due to uncertain timing of their deaths and their wishes. As a consequence, the Trustees do not consider that the large expenses needed in order to calculate the figure is justified. This is in accordance with the policy on estimates in Note 2.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	3,753	2,177
Salaries	8,827	10,040
Pensions	179,924	188,869
	192,504	201,086

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income		
Other income	9,768	9,713

5 Income from investments

	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Income from listed investments	133,573	43,458	177,031	166,731	65,986	232,717
Interest receivable	95,301	29,575	124,876	48,751	11,738	60,489
	228,874	73,033	301,907	215,482	77,724	293,206

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Royalties	110	-
Other income	2,020	-
	2,130	-

7 Expenditure on raising funds

	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Investment management	34,244	8,214	42,458	38,259	9,367	47,626

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

8 Expenditure on charitable activities

	Community running expenses 2025 £	Community running expenses 2024 £
Direct costs		
Staff costs	315,707	286,863
Depreciation and impairment	40,803	37,524
Community and personal	326,937	414,987
Donations	28,500	31,212
Premises costs	186,612	126,105
	898,559	896,691
Share of support and governance costs (see note 9)		
Support	63,638	89,564
Governance	22,059	22,267
	984,256	1,008,522
Analysis by fund		
Unrestricted funds - general	660,811	688,476
Unrestricted funds - designated	323,445	320,046
	984,256	1,008,522

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

9 Support costs allocated to activities

	2025	2024
	£	£
Support staff costs	32,303	32,287
Professional fees	2,195	34,379
Office expenses	17,115	13,753
Rent	6,000	6,000
Health and safety - fire risk assessment	904	375
Safeguarding	5,121	2,770
Governance costs	22,059	22,267
	85,697	111,831
Analysed between:		
Community running expenses	85,697	111,831

Governance costs comprise:	2025 £	2024 £
Audit fees	10,200	10,080
Accountancy	5,640	5,400
Delegation expenses	6,219	6,787
	22,059	22,267

10 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	10,200	10,080
Depreciation of owned tangible fixed assets	42,802	37,524

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year in respect of their services. No trustees received reimbursement for travelling expenses in the year (2024: £Nil).

The total aggregate donations received by the charity during the year from the 4 religious trustees, comprising of small gifts, donated pensions and salary income, was £8,827 (2024: £34,591).

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Administration	4	4
Care staff and other	11	11
Total	15	15

Employment costs	2025 £	2024 £
Wages and salaries	311,454	290,235
Social security	25,005	18,111
Other pension	11,551	10,804
	348,010	319,150

As part of its operations, the charity has an obligation to care for the Sisters in their old age. Should there be any periods where additional care staff are required, the charity engages agency staff via reputable agencies. The agency staff used have the relevant skills and abilities required so as to maintain the charity's high standards. These individuals are employed by the agencies, who retain all the responsibilities and requirements associated with employment. These include, but are not limited to, remuneration packages, disciplinary procedures, holiday entitlements and employment law considerations. The total costs for agency and contract care staff during the year was £134,783 (2024: £145,021).

Total amounts paid to Key Management Personnel during the year were £156,760 (2024: £127,670).

During the year no redundancy payments (2024: £Nil) were paid to former employees.

There were no employees whose annual remuneration was more than £60,000.

13 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Revaluation of investments	(109,418)	(62,022)	(171,440)	388,188	110,857	499,045
Sale of investments	2,208	(11,292)	(9,084)	48,866	(3,765)	45,101
	(107,210)	(73,314)	(180,524)	437,054	107,092	544,146

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Other gains and losses

	Unrestricted funds 2025	Unrestricted funds 2024
Gains/(losses) upon:	£	£
Foreign exchange	-	187

16 Tangible fixed assets

	Freehold land and buildings	Assets under construction	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2024	2,606,939	-	5,630	8,118	2,620,687
Additions	-	38,336	4,140	9,490	51,966
Disposals	-	-	(2,363)	(8,118)	(10,481)
Revaluation	229,777	-	-	-	229,777
At 31 August 2025	2,836,716	38,336	7,407	9,490	2,891,949
Depreciation and impairment					
At 1 September 2024	352,104	-	4,017	8,118	364,239
Depreciation charged in the year	40,051	-	1,367	1,384	42,802
Eliminated in respect of disposals	-	-	(2,362)	(8,118)	(10,480)
At 31 August 2025	392,155	-	3,022	1,384	396,561
Carrying amount					
At 31 August 2025	2,444,561	38,336	4,385	8,106	2,495,388
At 31 August 2024	2,254,835	-	1,613	-	2,256,448

The carrying value of land included in land and buildings comprises:

	2025	2024
	£	£
Freehold	1,370,575	1,370,575

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

16 Tangible fixed assets **(Continued)**

The freehold properties were valued to fair value at the transition date of 1 September 2014 as part of the transition to FRS102 and this valuation has been incorporated into the accounts as the deemed cost. Approximately one third of this deemed cost represents the land which is not depreciated.

The valuation of the individual houses was carried out by Mr Ayaz Siddiqui on 27 March 2017, based on the Land Registry average house prices index which put the properties at a fair value, based on vacant possession, of £2,923,118.

The valuation of Alix Lodge and Filsham lodge and Hall was carried out by Gerald Eve on 30 July 2024, based on the Land Registry average house prices index which put the properties at a fair value, based on vacant possession, of £1,350,000

More House was sold in 2021 for £24,800,000.

The properties were previously valued in 1999 at the value estimated by the trustees, plus the cost of subsequent additions, being £6,216,559. As a result of the revaluation to fair value, designated fund reserves at 1 September 2014 increased by £26,760,560.

Fixtures and fittings are included at the Trustees' estimate in 1999 of their replacement values for insurance purposes, plus the cost of any subsequent additions.

17 Heritage assets

	Alabaster carving £
At 1 September 2024 and at 31 August 2025	400,000

An Alabaster carving, of great historical significance, was held in the Chapel in More House, and has now been moved to the Norwich Castle Museum. Christies Auctioneers valued the carving at £400,000 in July 2023. The value of the carving, both financial and historical, has been established, and by lending this item to a museum, that its significance may be understood and appreciated by the public. As such, the Trustees consider that it is now appropriate to recognise this as a heritage asset. The Trustees believe the valuation of £400,000 was appropriate at the year-end.

18 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 September 2024 & 31 August 2025	8,689,900	405,000	9,094,900
Carrying amount			
At 31 August 2025	8,689,900	405,000	9,094,900
At 31 August 2024	8,689,900	405,000	9,094,900

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

18 Fixed asset investments **(Continued)**

	2025	2024
Listed investments included above:	£	£
Listed investments historical cost	8,568,745	8,929,145

Included above are £559,782 (2024: £353,054) held by the investment managers for re-investment.

19 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Prepayments and accrued income	20,344	14,325

20 Creditors: amounts falling due within one year

	2025	2024
	£	£
Accruals and deferred income	399,660	393,980

21 Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Other creditors	670,260	670,260

Other creditors represent legacies and dowries which are capital amounts held on behalf of the individual Sisters during their lifetimes and are distributed in accordance with their wishes on death.

22 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	11,551	10,804

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

23 Unrestricted funds - designated

These are unrestricted funds which are material to the Charity's activities.

	At 1 September 2024	Incoming resources	Resources expended	Gains and losses	At 31 August 2025
	£	£	£	£	£
Transfers	150,000	-	-	-	150,000
Capital fund	2,578,810	-	-	(96,913)	2,481,897
Retirement fund	911,623	73,033	(331,659)	23,599	676,596
Dowries and inheritances fund	670,260	-	-	-	670,260
	4,310,693	73,033	(331,659)	(73,314)	3,978,753

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Gains and losses	At 31 August 2024
	£	£	£	£	£
Transfers	150,000	-	-	-	150,000
Capital fund	2,578,810	-	-	-	2,578,810
Retirement fund	1,056,220	77,724	(329,413)	107,092	911,623
Dowries and inheritances fund	670,260	-	-	-	670,260
	4,455,290	77,724	(329,413)	107,092	4,310,693

The Capital fund represents the accumulated value of the properties held at the year-end. Transfers during the year represent additions, disposals and depreciation charges.

The Retirement fund represents monies set aside for the Sisters' retirement and to cover their medical and nursing needs. The fund is represented by investments and cash, and the investment managers' costs are charged against the fund. Transfers during the year represent movements from the unrestricted fund to increase the Retirement Fund balance after investments were sold to release liquid reserves for the continuing care of the Sisters.

The Dowries and inheritances fund represents monies set aside to preserve the capital belonging to individual Sisters until their death.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	Gains and losses	At 31 August 2025
	£	£	£	£	£
General funds	7,182,751	433,276	(695,055)	(107,210)	6,813,762
Revaluation reserve	-	-	-	229,777	229,777

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Gains and losses	At 31 August 2024
	£	£	£	£	£
General funds	7,046,338	426,281	(726,735)	436,867	7,182,751

25 Analysis of net assets between funds

	Unrestricted funds general 2025	Unrestricted funds designated 2025	Total 2025
	£	£	£
Fund balances at 31 August 2025 are represented by:			
Tangible assets	15,797	2,479,591	2,495,388
Heritage assets	-	400,000	400,000
Investments	7,077,074	1,495,969	8,573,043
Current assets/(liabilities)	(49,332)	273,453	224,121
Long term liabilities	-	(670,260)	(670,260)
	7,043,539	3,978,753	11,022,292

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

25 Analysis of net assets between funds **(Continued)**

	Unrestricted funds general 2024	Unrestricted funds designated 2024	Total 2024
	£	£	£
Fund balances at 31 August 2024 are represented by:			
Tangible assets	1,613	2,254,835	2,256,448
Heritage assets	-	400,000	400,000
Investments	6,768,782	2,326,118	9,094,900
Current assets/(liabilities)	412,356	-	412,356
Long term liabilities	-	(670,260)	(670,260)
	7,182,751	4,310,693	11,493,444

26 Financial commitments, guarantees and contingent liabilities

The Charity is committed to the care of the Sisters in their old age, and to provide for their future medical and nursing needs.

The global Congregation use the long-term forecast model (LTF) to estimate and plan the cost of this provision, and the latest figures calculated for the UK showed an estimate of £7 million based upon the preset cost of running the Charity at today's prices.

However, upon review of these figures, the Charity believes that by updating some assumptions used in the model it can reduce the current estimate of the provision. As such, this figure has not been recorded within the financial statements.

The Trustees have set aside funds in a designated Retirement fund to cater for this eventuality and these funds are represented by investments and cash.

27 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

28 Analysis of changes in net funds

The Charity had no material debt during the year.

Doc ID: ceb8b4f189efc78c76e042308a0cdb6e94b08e30

CONGREGATION OF OUR LADY, CANONESSES OF ST. AUGUSTINE CIO

England & Wales - Charity number 1166361

Accounts

Charity registration number 1166361 (England and Wales)

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sr J V Langford	
	Sr M Robin	
	Sr L M Teer	(Appointed 26 October 2023)
	Sr C E Brown	
	Sr J Dines	
	Mr T Haigh	
	Mr R Verley	
	Ms J Bourne	(Appointed 15 November 2023)
Charity number	1166361	
Principal address	Delegation Office 35 Maude Terrace London E17 7DG	
Auditor	James Todd and Co Limited Drayton House Drayton Lane Chichester West Sussex PO20 2EW	
Bankers	Lloyds Business Banking 4th Floor 125 London Wall London EC2Y 5AS	
	Epworth Investment Management Limited 9 Bonhill Street London EC24 4PE	
Solicitors	Holmes and Hills LLP Bocking End Braintree CM7 9AJ	
Investment advisors	JM Finn & Co 25 Copthall Avenue London EC2R 7AH	
	Greenbank Investments 30 Gresham Street London EC2V 7QN	

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

CONTENTS

	Page
Trustees' report	1 - 14
Independent auditor's report	16 - 19
Statement of financial activities	15
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 - 36

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report and financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Congregation of Our Lady, Canonesses of St Augustine (CSA) is an international Roman Catholic religious order, founded in Lorraine (now part of France) in 1597. According to our founders, our aim is to “do good to all and harm to none” (Saint Peter Fourier) and “to do all the good possible” (Blessed Alix Le Clerc). At the beginning, this was to be done especially by opening schools and providing free education for girls, “both rich and poor alike.” Nowadays, we dedicate ourselves to the work of education and human development in all its aspects. We have a preference for helping those in greatest educational need, and we place particular emphasis on addressing the causes of poverty and injustice. We currently number a little over 300 Sisters and about 250 Associates (members of the Congregation who support its work and ethos but do not make vows) in Africa, Asia, South and Central America, and Europe. Sisters first came to Britain from France in the early twentieth century. At the end of the accounting year, we were 14 Sisters in Britain, aged between 61 and 103 living in different parts of England and Scotland. There were also 19 Associates living in England, Ireland, Scotland and Africa.

a) According to the Congregation’s charitable incorporation document (‘the CIO Constitution’), dated April 5th, 2016, the general objective of the charity is ‘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 Delegate shall from time-to-time think fit.”

b) The Constitutions proper to the Congregation (‘the Constitutions’), written in 1640 and revised in 1984, make this clear: “whatever our work, ... our desire as religious and educators is to promote the development and growth of the whole person and to make our contribution to the recognition of each person’s dignity (#5).” The Constitutions also insist that human development cannot happen without the promotion of human rights and other aspects of social justice, and this too is reflected in our objectives. The advanced age of most of the Sisters means that our contributions are mainly voluntary, and often of modest scope, but they are many and various, according to each one’s abilities. In the spirit of our Constitutions “we all take part in this mission, whatever our age, our state of health or our abilities (#6).”

The range of both individual and communal contributions to the charity’s aims and objectives, and the impact these have had on a variety of people, are set out in the later part of this report, “Achievements and Performance.”

Strategies for achieving aims and objectives

Our assets exist to provide adequate material provision for each Sister to fulfil her particular educational mission and her religious commitment until the very end of her life. Our primary aim, therefore, is to ensure that the charity remains viable and active through good governance and good financial management in line with the Social Teaching of the Roman Catholic Church.

A. **Our main strategies have been**:

1. To promote the development and growth of the whole person in accordance with the Congregation's motto to "do good to all," while recognising each person's individual needs.
2. To further improve the material care and support provided for all our Sisters, wherever they are living.
3. To work with our investment managers to ensure that funds are invested ethically in line with Catholic Social Teaching and at the same time that they deliver value for money through competent management.
4. To show financial solidarity with the Congregation and to contribute to other educational projects.
5. To ensure long-term stable governance.

B. Specific objectives have been:

1. To continue monitoring recipients of grants made from the proceeds of the sale of More House in 2021.
2. To make current governance more effective.
3. To maintain and enhance safeguarding practices.
4. To obtain up to date replacement valuations on all properties for insurance purposes.
5. To research the adaptation of properties for future accommodation needs.

The steps taken to achieve these strategies and objectives were as follows:

A. Achieving our main Strategies

1. "To do good to all."

By careful monitoring of the Sisters' living conditions and financial situations, the Trustees have ensured that, whether living in the same house, or alone, the Sisters have been able to engage as fully as age and health permit in religious and educational work for the benefit of a wide variety of people and needs.

2. Care of the Sisters

The Trustees remain committed to the provision of 24-hour care for the elderly and infirm Sisters at St Leonards on Sea, East Sussex. This is achieved by ensuring that rotas of regular contracted nurses, carers and cooks are in place at all times, supplemented when necessary by agency staff under the management of a full-time, non-resident Care Manager.

The healthcare needs of the Sisters living elsewhere are taken in hand by the Care Manager through personal contact and visits.

3. Investment Management

Our aim is to achieve a return on our investments that is balanced between capital growth and income, all with a low to medium risk profile. We exclude investments that run counter to our ethical convictions and increasingly favour impact investments in line with Catholic Social Teaching. In particular, we are motivated by Pope Francis' encyclical letter "Laudato Si'" on 'Care for our Common Home.' In this perspective, the Trustees have continued to interact with Greenbank Investments and with J.M. Finn in seeking to prioritise companies that are trying to bring about improvements in society and the environment, e.g. by developing new kinds of green energy.

Performance of all portfolios is monitored by the Trustees. The Trustees, in discussion with the investment managers, pay due regard to the strategies and objectives of the charity and ensure that the charity remains financially viable and able to meet all its financial obligations. Special attention this year has been given to the provision of benchmarks that are appropriate to the charity, something which is not easy to achieve.

4. Engaging in Financial Solidarity

We have continued to support our Sisters worldwide as well as contributing to several other organisations which share our educational vision, as follows:

i. As in previous years, we allocated £50,000 to the General Council of the Congregation. This annual payment is to help the General Council carry out its mandate of coordinating the life and work of the Congregation worldwide. A receipt, as always, was received. An account of how the General Council spends the money it receives from the various parts of the Congregation is provided during an Extended General Council meeting at which the Delegate (the Chair of Trustees) is present (although this year's meeting, in September 2024 in Rome, fell into the charity's next financial year).

i. The Delegation receives appeals from various national and international projects. Appeals to the Delegation must fulfil certain criteria, such as being primarily educational in purpose, and of modest scope. An Appeals Committee of Sisters looks at applications received during the year and makes proposals at the annual Delegation Meeting in August. This year the budgeted sum of £20,000 was allocated as follows:

a) £4,750 to Advance Myanmar for the Karenni Student Development Programme (KDSP) for young ethnic people forced from their homes by the Myanmar regime and in need of help with tertiary education.
b) £5,500 to Congo Prisoners: supporting some of our Sisters in the Democratic Republic of Congo in their provision of food and legal services to prisoners who would otherwise struggle to survive.
c) £8,000 to Bega kwa Bega (Swahili for “Shoulder to Shoulder”), a Ugandan charity founded “for communities in need.” by an old pupil of the school in Uganda once run by the Sisters.
d) £1,750 to the Shri Bhagawati Lower Secondary School, a project in a remote and poor area of Nepal, which continues to make good progress.

In all cases, the overseas donations are tracked by means of receipts, letters and written reports.

5. Ensuring long-term stable governance

The main concern is that, when the Delegation is no longer able to function without more direct oversight by the General Council, a viable Board is in place able to ensure the running of the charity and its assets. The steps taken are described in the next section, item 2.

B. Meeting Specific Objectives

1.To continue monitoring the recipients of grants from the sale of More House.

With the £3 million allocated for grants in memory of More House now allocated and in large part disbursed, as detailed in last year’s report, the process of monitoring the various projects continues. The requirement to report on progress was included in the written agreement entered into prior to the release of funds to each beneficiary. These agreements set out the expectations and objectives attached to each grant. The Executive Director has now received periodic performance reports which track progress against specific objectives, and gives an account to the Trustees who are responsible for ascertaining that the money granted is being used for the purposes for which it was given. They are aware of the importance of this task in order to ensure that the Charity’s assets are being used for public benefit in a responsible way. Monitoring arrangements differ depending on the type of award, but each organisation typically has 3 months from the end of the monitoring period, set out in the agreement, to provide the information.

All information - including photographic - is held in a central file for each organisation where it is readily available.

At the end of the accounting year, the following projects remained to be completed:
a) St Mary’s University Horizon Summer Schools: £26,000 to be held over for the summer school in 2025.
b) Centre for Alternative Technologies (CAT): £230,000 for redevelopment of their Straw Bale Theatre educational space remains to be disbursed.
c) The Margaret Beaufort Institute of Theology (MBIT): after major reorganization following covid and a move into new but temporary premises, the sum of £375,250 remains to be disbursed once their plans are more settled. In the meantime, this designated sum has been put into an Epworth easy access interest bearing account where the Delegation can benefit from the interest.

2. To make current governance more effective

a) Finance Committee and Working Groups

i) Finance Committee

The Committee was constituted in June 2022, replacing the former Finance and Administration Committee. Its remit is primarily to help with the preparation of the annual budget and with the monitoring of investments.

During the current year, the Committee had one formal meeting, on August 20th 2024, principally to discuss the draft budget for 2024-2025. At the end of the meeting, the members voted unanimously for the draft budget to be presented to the Board for approval at its next meeting.

ii) Working Groups

The creation of small sub-groups, reporting to the board and composed of Trustees and other qualified individuals, has enabled work in specific areas to be streamlined and responsibilities to be shared. The Working Groups currently in existence are responsible for:

- Investments: (1 Trustee; Delegation Bursar)
- Insurance: (1 Trustee; Executive Director)
- Audit and Risk: (Delegate; Executive Director; Delegation Bursar)
- Safeguarding: (2 Trustees; Executive Director; Care Manager)
- Properties: (3 Trustees; Executive Director; 1 Sister)

The creation of an HR group whose remit would include the annual salary review is still to be discussed and constituted.

b) Recruiting New Trustees

Two new trustees were appointed in October and November 2023 respectively. One is a member of the Delegation, the other an ex-pupil of one of the schools formerly run by the Sisters, with a background in law.

c) Additional Contacts for the Charity Commission

In line with the Charity Commission's new procedures, all the Trustees have had the opportunity to set up personal accounts to have access to reserved material on the charity's pages on the website. One of the Trustees has also been given Authorised Access status in addition to the Chair so that the Commissioners will have a means of contacting the charity in the event of the Chair's absence. The Executive Director, the Bursar and a member of the charity's audit firm have been given Third Party Access to essential information.

3 Developing the charity's safeguarding practices.

The Trustees are aware of the seriousness of this issue and of their responsibilities 'in preventing and responding to incidents of bullying and harassment' and of having 'welfare, discipline and whistleblowing policies for staff, including clear policies and procedures on bullying and harassment,' (cf., Charity Commission statement, August 11th, 2022). 'Safeguarding' is a standing item at Board meetings; it consists of briefings and updates from the Chair, the Delegation's named Safeguarding Lead and, whenever relevant, the Delegation's Care Manager, who is a member of the Board's Safeguarding Team.

The charity is a member of both the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS). The latter exists to give advice and help on Safeguarding matters and has been found helpful by members of the Safeguarding Team on numerous occasions. One member attended the RLSS AGM and Conference in Milton Keynes in February 2024.

Financial Aspects

a) CSSA. An annual per capita fee of £85 has been agreed for all religious congregations for three years to 2025; it is paid monthly by Direct Debit. Our first payment was taken in January 2022.

b) RLSS. A per capita fee of £115 is paid on or around 1st April each year. As from April 2025 a new fee structure will come into effect. This will no longer be per capita, but a fixed sum depending on the total number of sisters and lay employees (i.e. all who come under the charity's safeguarding responsibility). For the Delegation this is likely to be set at £3,000. The trustees have noted with concern that this is double the current per capita sum, although acknowledging that an increase is necessary for the RLSS to remain viable.

Safeguarding Policies

The charity's safeguarding policies are now fully up to date.

As well as being needed for internal use, these policies are required both by the RLSS, which must approve them, and by the Congregation's General Council.

On October 26th 2023 the Trustees approved the texts of the following documents:

a) 'Congregation of Our Lady, Canonesses of St Augustine, CSA, Safeguarding Policy'

b) 'Congregation of Our Lady, Canonesses of St Augustine, CSA, Bullying Policy.'

Copies were given to all members of staff at St Leonards to be individually signed at one of the regular Safeguarding Staff Meetings.

Safeguarding Training

a) The Trustees are aware of the opportunities provided by the Charity Commission. It was noted, however, that it is not always easy to take advantage of them as sessions are often quickly overbooked.

b) Three of the Trustees attended online workshops organised by the CSSA to prepare for audits.

c) The RLSS organises relevant training sessions for Trustees, Safeguarding Leads and others concerned. After each Training, the participant is issued with a certificate of attendance; these certificates will be taken into account when the time comes for the charity to be audited by the CSSA. A record is kept by the Care Manager who is a member of the Safeguarding Team who also alerts individuals when trainings need to be renewed.

To date, Trustees and other key members have taken part in one or more of the following training sessions: Basic Safeguarding; Advanced Safeguarding; Trustee Training; Training for Safeguarding Leads; Safeguarding for Spiritual Direction; Training for Religious Life Group Leaders. Care has been taken to ensure that the training is accessible for all, for example, a simplified session was organised for the elderly Sisters at St Leonards.

DBS checking

The charity's Care Manager is the lead member of the Safeguarding Team for dealing with DBS checks. She added to her existing years of experience in this area by attending the relevant RLSS Training and is able to conduct UCheck applications. By the end of the year, DBS checks had been carried out on all relevant Delegation members and on all members of the charity's staff.

CSSA Audit for the Delegation

On August 8th 2024 a letter was sent to the Chair of Trustees announcing an official audit of the charity during the last week in November. The Safeguarding Team set to work on the accompanying Self-Assessment form and on other preparatory work. Everything was up to date, or very nearly so, when on October 1st the audit date was postponed to 2025. The Trustees await the next available date to be made known.

4. To update replacement valuations of all properties for insurance purposes

During the course of the year all properties were revalued by agents of the charity's insurers, PIB Insurance Brokers.

5. To research the adaptation of properties for future accommodation

a) St Leonards: Filsham Lodge and Alix Lodge

In November 2022, Mr. Will Ray of the firm of Gerald Eve visited St Leonards together with members of the Properties Group and made a thorough examination of the two houses and the grounds. He then submitted a report in the light of which it was decided that extensive adaptations to Alix Lodge would be too costly and too disruptive for the resident Sisters, some of whom are in fragile health. Instead, more modest adaptations to Alix Lodge would be undertaken with the aim of accommodating all the Sisters in the one house, not forgetting necessary provision for resident staff. Once this was done, ideally within the next two to three years, Filsham Lodge and its grounds could be put on the market.

In order to have a better idea of the market value of each of the two properties, and of the two together, a survey was commissioned in July 2024. It was conducted by Isabella Hendrie, a valuer from the firm of Gerald Eve, Chartered Surveyors and Property Consultants. Her report was issued on July 30th 2024. In addition to giving a tentative market value for each house, the report contained the following recommendations:

1. No major refurbishments should be undertaken in view of a sale. This might enhance the value but the financial outlay would most likely cancel out any increase. This advice has been taken with regard to Filsham Lodge where only essential repairs will be carried out from now on.

2. The opinion of a planning consultant should be obtained to ascertain development potential and likely planning permissions well ahead of any intended sale. The Trustees intend to follow this advice.

3. Although it is unlikely that there would be any advantage in selling both properties at the same time, it would be prudent to take local advice on this. The Trustees will keep this in mind.

4. Some uncertainties in the exact placing of boundaries (especially for Filsham Lodge) and some other legal matters need to be cleared up with the help of solicitors.

For the time being, our overall strategy is to work at making Alix Lodge capable of housing all remaining Sisters and staff within the next few years and then to sell Filsham Lodge which will have become redundant.

b) London, Walthamstow: 35 Maude Terrace E17 7DG

This property serves both as a small local community of Sisters and as the official address of the Delegation as a CIO, which maintains its office there. As at St Leonards, the use of both house and grounds is being rethought so as to provide for:

1. a small permanent community of Sisters, with provision for short-term visitors,
2. separate living space for the Delegate,
3. separate working space for the Delegation Office and Archives.

By the end of the last financial year, the firm of Potter, Church and Holmes, Architects had been appointed to carry out the project and provisional plans drawn up. These entail major adaptations to the existing house, including a loft conversion, as well as the replacement of the free-standing garage by a garden office. The house will also be made more energy efficient.

In January 2024, the finalized plans were submitted to the London Borough of Waltham Forest (LBWF) for planning permission. When it became clear that some of our requests were likely to be rejected, the submission was withdrawn. New plans were drawn up to accommodate the likely objections as far as possible and were submitted in early June. By the end of August 2024, no answer had been received from LBWF. Finally, on November 15th 2024, full planning permission was granted. The Trustees now have to review the plans and consider the next steps. The costs are likely to be significant. A budget of £700.000 has been created which will be financed principally by drawing down funds from our investments. It is expected that a good part of the costs will eventually be offset by the sale of another property.

Achievements and performance

Significant activities and achievements against objectives

We ended the financial year 2023-2024 with 14 Sisters. Six of them were living together at St Leonards on Sea, East Sussex; one was in a care home in Scotland and the rest were living either individually or in pairs in London and East Anglia. All have contributed to the mission of the Congregation by their interest and prayer. For those now infirm this is their main – and invaluable – contribution. Those who are still active to a greater or lesser extent (including some well into their eighties, or even nineties) have engaged in a wide variety of beneficial activities, as will be shown by a survey of the public benefit provided first by the community at St Leonards and then by the Sisters living elsewhere. The public benefit is grouped under several headings.

St Leonards on Sea, East Sussex

1.Helping People in various ways

Two are volunteers at the local hospice, St Michael's, and visit people in their homes as part of the hospice's 'Neighbours' service. One of them works one afternoon a week in the Sara Lee Trust charity shop. She makes 'twiddle-muffs' which give comfort and interest to people with dementia. A valuable service of another kind is to listen to people who bring their problems to the Sisters and to offer sympathy, support and, if appropriate, advice.

2.Hospitality

Visitors, including friends, former colleagues, retired staff and other Sisters are welcomed for chats, meals or for longer stays.

3.Church and Interfaith Involvement:

- Carrying out the role of reader in the parish church, and taking communion to the sick and housebound.
- Participating in two local Julian Prayer Groups.
- Belonging to a local Interfaith Forum and maintaining social contacts with local Anglican and Independent church groups.
- Knitting sets of nativity figures for an ever-growing clientèle in churches and families.
- All pray constantly for the varied needs of the Church and the world both individually and communally and also for the growing number of people who make their needs known to them.

4.Education, Justice and Development

Individually, the Sisters support a wide range of national and international charities by means of small donations from their personal allowances. There is also a budget for donations in the name of the community as a whole. One Sister maintains telephone links with former pupils now running an educational project in Uganda.
They pray daily for peace and justice in parts of the world where there is conflict and oppression.

5.Professional

- One Sister – a former geography teacher - belongs to the local Geology Society and enjoys taking part in events and visits.
- Another Sister with a lifelong involvement in the Guide Movement, is Chair of a local Trefoil Guild and helps plan meetings and activities.

6.Ecological

As far as possible, the Sisters shop ethically and locally; they recycle materials and do whatever else they can to protect the environment. Pope Francis' encyclical letter, Laudato Si', on care for our common home, has been their guide in making decisions affecting everyday life. This year they have made special efforts to save electricity and water and to prevent wastage of any kind. Their large garden is entirely organic, with areas of re-wilding. Many different vegetables are grown and part of the garden is made available to the head gardener to prepare plants for his periodic Plant Sales which are held in the grounds and which attract large numbers of people from many miles around.

7.Filsham Hall

Another significant contribution to public benefit comes from the availability of the freestanding Filsham Hall to various local groups who rent it for their meetings. One of the Sisters oversees the practical arrangements. The building is appreciated especially by elderly and disabled people for its ease of access and its facilities. More groups than usual have used the Hall this year and the small lending library there has welcomed several new members.

Sisters living in London and East Anglia

The impact made by the Sisters living in other locations results from a wide range of activities, of which the following are just a few examples:

1. Helping People in various ways

- Support for someone with addiction and mental health issues
- Spending one day each week helping look after an elderly lady with dementia. This includes regular outings for meals and visits to places of interest. The relatives have remarked on the degree of improvement this has brought about.
- Helping Vietnamese refugees with their papers. Occasionally helping as an interpreter. Helping one day a week in a centre for migrants.
- Offering spiritual and psychological accompaniment to people who ask for it.
- Corresponding with, or telephoning, some lonely, disabled or depressive people in the UK and abroad.
- Being available to give transport in a rural area to people who need help getting to doctors' appointments and so on.
- Sharing wool with a Ukrainian refugee, a keen knitter with limited financial resources, and knitting warm clothes for friends who find heating bills challenging.

2. Hospitality

- Welcoming individuals or groups who come to the house; helping with overnight visitors and with the cooking.
- Keeping up with former pupils, students and clients, offering support when needed.
- Keeping an open door and welcoming people who drop in to talk, sometimes needing a discreet ear in difficult circumstances.

3. Church and Interfaith Involvement

- Hosting several local church-related groups which meet regularly in the Sisters' house.
- Helping to run a weekly online Gospel sharing group (in Vietnamese).
- Keeping in touch with children with special faith needs and with adults whom this Sister had prepared for baptism.
- Participation in local parishes as readers, Eucharistic ministers etc.
- Numerous ecumenical and interfaith relationships and activities, including helping to organise a local Good Friday Walk.
- Praying for the needs of those affected by war, climate change, etc.
- Meeting and talking to strangers who are searching.

4. Education, Justice and Development

- Coaching some children with special needs, as a volunteer.
- Helping set up a weekly after-school gardening session for children in the 'Peace Garden' of their local RC primary school; a year-long initiative of the 'Living Laudato Si' Group to raise awareness of climate change challenges and take some small steps to meet them.
- Supporting church-based organisations such as CAFOD (humanitarian aid), Aid to the Church in Need (persecuted Christians) and Church Action on Poverty (an ecumenical Charity). One Sister writes: The organisations I support all have a strong educational content as they contribute in their different ways to promoting the full development of the human person.'
- Signing online petitions: 38 Degrees, Change.org, Cafod, Friends of the Earth, Avaaz and many more.
- Writing to MPs on matters of concern.
- Making small financial contributions to chosen charities.
- Participating in, or supporting, the Justice, Peace and Integrity of Creation Links Group, an ecumenical network of religious and lay representatives of religious orders working for justice in England and Wales.
- Keeping up to date by reading newspapers, journals etc. and passing on information.
- Acting as UK coordinator for a Ugandan charity.
- Helping to organise support for other projects in Uganda.
- Serves on the Council of the Margaret Beaufort Institute of Theology in Cambridge.
- Following an online course on Faithful Finance, organised by Faith Invest and taking part in several other meetings and webinars concerned with ethical investing

5. Professional

- One Sister, a Jungian analyst, offers low-cost analysis and psychotherapy to people who could not afford to pay high fees. She is a member of the Guild of Analytical Psychologists (GAP) and a full clinical member of the UK Council for Psychotherapy (UKCP), as well as of the International Association for Analytical Psychology (IAAP). She also teaches modules on GAP's 'Introductory Course to the Foundations of Analytical Psychology' (which she helped to set up) and the Postgraduate clinical training course. She is also a Reviewer for students and a convenor of a Review Committee.
- Another Sister is a retired member of GAP who continues on a voluntary basis to accompany people who ask for a combination of psychological and spiritual help.
- Another is a member of the Society for Old Testament Studies. (SOTS) and the International Organisation for Septuagint and Cognate Studies (IOSCS). She gives occasional help to students and other specialists in the field who contact her with queries. She contributed a session to one of the Margaret Beaufort Institute of Theology's online courses, 'Hearing Biblical Voices.'

6. Ecological

All do what they can to reduce plastic use, recycle waste, buy Fair Trade products and so on, and to open the eyes of those they come in contact with to these challenges.

- One Sister writes: 'As climate change and the lack of urgent response to it constitute the biggest threat to the future of humanity on our planet, I support organisations that are responding to this situation. These include CAFOD which emphasises the effects of climate change on the poorest people in the Developing World and Friends of the Earth. I sign the requests of the latter, especially those helping our Government to keep faithful to its promise to reduce carbon emissions and develop new technology to combat climate change. This organisation is continually challenging this Government's failure to fulfil their promises.'
- Another Sister takes every opportunity to raise awareness about the need for responsible use of resources in everyday life and for making ethical choices in investing money with a concern for both environmental protection and human well-being.
- Several who have gardens make conscious decisions to leave areas for wildlife (denying that this amounts to 'lazy gardening'!).

Summary From the preceding selections, it can be seen that the Sisters, wherever they are, engage as fully as age and health permit in religious and educational work in accord with the charity's aims and objectives. They are inspired by the Congregation's motto "do good to all, do harm to none" to make whatever contribution they can in the fields of faith, education and justice, to the benefit of a wide variety of people and, in however small a way, to the well-being of the Earth itself.

Financial review

A summary of the year's results can be found from pages 21-23 of the financial statements.

Income

For the accounting year 2023-2024, total income was £504,005 as against £490,825 for the previous year. This represents an increase of £13,180. Income from pensions and allowances for Sisters was roughly equivalent to their living expenses. A notable exception was the Community living at St Leonards where, with diminishing numbers and a sizable property estate to manage, a quota of £60,000 from the Delegation was needed in 2024. There were no substantial gifts made to the Delegation this year. Income from dividends and interest was the primary reason for the increase in total income.

Expenditure

During the year, the charity incurred expenditure for maintaining the Sisters and enabling them to carry out their work amounting to £1,056,148 as against £1,020,184 in the previous year, an increase of £35,964. The year ended with a deficit of £552,330, as against £379,359 in the previous year.

Net Assets

The net assets for this year end stand at £11,493,444 as against £11,501,628 in the previous year, a decrease of £8,184. The assets consist mainly of investments. At 31 August 2024, these investments amounted to £9,094,900, divided between two Growth Portfolios, a Retirement Portfolio and a Dowries Portfolio. Each of the two investment managers (Greenbank Investments and J M Finn) manages a Growth Portfolio, while J M Finn manages the Retirement and Dowries portfolios. This compares with £8,818,630 in the previous year.

Reserves policy

The charity's net assets stand at £11,493,444. Of these, £2,578,810 represents a capital fund consisting of properties lived in by the Sisters. The valuation of land and buildings represents the market value on 1st September 2014, following the introduction of Financial Reporting Standard 102. This valuation, updated from that of 1999 and from subsequent purchase prices, has considerably increased our net assets. However, as all properties are fully used for the charity's life and work, the policy on reserves remains as set out below.

The balance sheet shows reserves of £11,493,444 as against £11,501,628 in the previous year. The sum is divided between:

- Designated Reserves (capital, dowries, retirement etc.) of £4,310,693; and
- Unrestricted/Free Reserves of £7,182,75

The charity does not undertake fundraising or seek donations from outside of the charity, and for this reason it is necessary for the charity to maintain such high reserves:

The unrestricted reserves, are, in large part, invested in the growth portfolios to meet operational costs: quotas paid to Sisters and the Generalate and to supplement or 'top up' the Retirement reserves. The funds are augmented by investment income.

The designated reserves, are in large part represented by the retirement and dowries portfolios, the retirement reserves exist primarily to meet the current and future healthcare costs of all of the Sisters, right through to the end of their lives, a period of about forty years. The reserves are augmented by investment income and from the pension and benefit income from Sisters living in nursing homes**.** As the duty of the Trustees is to ensure that each Sister is provided for, right up until the time of her death, it is essential that the reserves be maintained at the level required for up to the next forty years, something that obviously necessitates substantial reserves. It is supplemented as required from the unrestricted reserves, which must therefore be sufficient to meet this need.

The dowries reserves exist to recognise the liability created by the money brought to the charity by the Sisters when they joined the Congregation, and to any inheritances received after joining. This means that, if a Sister leaves the Congregation, the monies concerned can be accessed readily and returned to her, or upon her death the funds can be released into the charity or passed on to beneficiaries in accordance with the terms of her will. During a Sister's lifetime, the charity is entitled to the income but not the capital of this fund. The restricted reserves, from time to time, require transfers from the unrestricted reserves.

The two principal sources of income for the charity are the pensions and allowances received by individual Sisters and the interest and dividends from investments.

Throughout the Congregation, a long-term financial forecasting model (LTF) is used to consider demographics and their financial implications, for up to 25 years ahead. Based on a number of assumptions, it is revised every two years.
The 2021 LTF was revised in the summer of 2023; the assumptions were re-examined, and the forecasting adjusted. The next revision will take place in 2025. Using the LTF, the Trustees are able to remain mindful of their responsibility to ensure that the reserves are managed effectively and with a view to long-term sustainability. To this end, and taking into account the fact that the charity has been operating with a deficit for several years, a draft action plan for the Delegation was drawn up and discussed in July 2024.
Assuming a reduction in the number of Sisters over time, steps were suggested to further manage and reduce costs, especially by re-organising care provision, rationalising administration and reviewing the use of properties for the next ten years.
At the same time, assumptions for the next 25 years concerning demographics such as the further decrease in the number of Sisters, the sale of properties, the cost of accommodation etc. were tested and adjusted.

Investment Performance

The Charity investment portfolios have been constructed to:

ii. Ensure the medium and long-term viability of the charity (Growth Portfolios);
iii. Meet the immediate living expenses and healthcare needs of the Sisters (Retirement Portfolio);
iv. Match the potential liability of the Dowries and Inheritances Portfolio held by the charity on behalf of its members. As of 31st August 2024 the value of funds under management was £8,537,993.

Each of the two investment managers manages a Growth Portfolio, while the Retirement and Dowries Portfolios are managed by J.M. Finn.
Performance, measured by total return, was in the range of 9% to 10.7%, a marked improvement over the previous year, although the charity continues to incur a cost for its ethical stance and investment choices.
The performance of the investment managers is monitored by regular meetings with the Trustees.

The asset allocation for each of the three portfolio types, at the end of the year, is set out below:

	Dowries	Growth	Retirement
Fixed Interest & Cash	100%	21%	27%
Equities		64%	50%
Alternatives*		15%	23%

Alternatives* = investments providing exposure to alternative energy supplies, infrastructure, environmental and property types.

A public benefit loan
£30,000 remains loaned to Oikocredit, and we are now direct investors. In 2024 we received a dividend of £148 (2023: £143) in respect of this.

Major risks
The main risks identified for the year ending 31 August 2024 and the measures taken to mitigate them may be summarised as follows:

1. Governance. The decreasing number of Sisters capable of helping with governance poses a serious risk. For the immediate future, some mitigating steps have been taken: the charity has engaged the services of more lay experts to assist it where its own expertise and energies are limited; most significantly, a part time Executive Director, appointed in October 2018, and a full-time Care Manager, appointed in 2020. The challenge remains to ensure viable governance when there are so few Sisters able to take leadership roles, including that of trustee. The future of the charity and of its assets has however been ensured by its CIO Constitution which allows for governance by the Congregation's General Council if and when the GB Delegation is unable to provide for it from its own members. The Trustees have recruited two new members for the Board, appointed in October and November 2023 respectively. The existence of a Finance Committee, supplemented by various permanent or ad hoc Working Groups has led to a greater opportunity for the Trustees to share the workload. The Trustees are aware that the smooth running of the charity depends in large part on a small number of administrative staff and that advance planning for succession needs to be undertaken.

2. Finance. Although there is no immediate risk to the charity's viability, some serious planning is being undertaken for the medium to long-term. Factors giving cause for concern include the current economic and political situation with the marked rise in the cost of living and the risks associated with climate change. Within the charity, the loss of income from pensions as Sisters die is becoming more marked and will continue to make an impact. The healthcare needs of the Sisters continue to increase with accompanying rise in costs, especially for staff at St Leonards which remain high even when the number of Sisters decreases. Major expenses are planned to improve the accommodation needs of the Sisters which will be only partially offset by the sale of redundant properties. The Delegation's financial sustainability continues to be monitored by the Trustees as a matter of urgency.

3. Health care, The needs of the Sisters at St Leonards are very well met by the provision of nurses and carers within a Care in the Home system, overseen by the Delegation Care Manager. The needs of the Sisters living elsewhere in the Delegation are monitored by the Care Manager who assesses their state of health, the suitability of their accommodation, their end of life wishes and so on. Where necessary, she assists with the making or updating of wills and the setting up of Powers of Attorney, the lack of which in many cases constitutes a risk. She keeps in touch with all the Sisters by telephone and email and by paying regular visits to each sister, ideally every six months.

4. Sponsorship Licensing. Stringent immigration laws make it difficult to obtain visas so that people from abroad, including religious Sisters, can participate in long term activities of the charity. In 2013, however, a Sponsorship Licence from the United Kingdom Visa and Immigration Agency (UKVI) was awarded for four years, enabling visas to be applied for annually (although with no guarantee that applications would be successful). The licence was successfully renewed in 2017 and 2021. From now on, the license will be renewed automatically. The Licence is for Tier 2 (Ministers of Religion) and Tier 5 (Temporary Worker / Religious Worker). A recently identified risk is that the same person fills the roles of both Authorising Officer and Key Contact; this is noted as needing to be addressed. Meanwhile, the services of a specialist immigration solicitor are available for help and advice when needed.

5. Safeguarding. All Sisters and employees involved in activities connected with children or vulnerable adults have DBS checks in place, the latest being done in October 2024. A named Sister acts both as the Safeguarding Trustee and as the Delegation's Safeguarding Lead, and a Safeguarding Group, set up by the Trustees has been put in place. The Trustees are aware that the roles of Safeguarding Trustee and Safeguarding Lead should be separated and are planning to address this issue. In 2013, the Delegation was aligned for safeguarding services with the Roman Catholic Diocese of Brentwood. This alignment has now been transferred to the Religious Life Safeguarding Service (RLSS). The Delegation has signed up to membership of both the RLSS and the Catholic Safeguarding Standards Agency (CSSA). The Trustees are aware that, although the charity has not been responsible for running schools for a number of years, the possibility of historic abuse claims being made against Sisters cannot be ruled out and this remains a risk, albeit a remote one. Efforts are being made to identify documentation from past insurance companies who would be responsible in the event of any compensation claims; this is however no easy matter. Current risks are being met by the updating of policies and procedures. These have highlighted the risk of internal bullying and harassment, especially where vulnerable elderly Sisters are involved. The Trustees have responded to this risk by attending training sessions and workshops organised by the CSSA and the RLSS.

6. Data sharing. Security risks in the sharing and storing of information have been addressed by improved online provision of dedicated email addresses and the best available anti-virus software. The charity engages the services of a specialist internet advisory company, JP2 IT. On two occasions where a data breach had been feared, this company did prompt checks and was able to give reassurance. Passwords were changed as a precaution. The computers of Trustees and main officers have been additionally protected by the installation of Bitlocker at start-up. Occasional risks which emerged were reported to the Trustees and lessons have been learned.

Plans for future periods

1. Use of Properties

a) St Leonards: Filsham Lodge and Alix Lodge

We will continue to research improvements to Alix Lodge with a view to accommodating all the Sisters and staff during the course of the next couple of years. From now on, only essential repairs will be done to Filsham Lodge. An updated valuation of the two properties was provided by a qualified surveyor from the firm of Gerald Eve in July 2024. Further specialist advice is to be obtained as to the development potential of the two properties, both separately and together, with clarification of the Hastings Borough Council's current policy. Details of the Land Registry titles to the properties will be checked with a solicitor. Although there is no intention of an immediate sale of either property, the Trustees consider it prudent to follow up these investigations in good time.

b) London, Walthamstow: 35 Maude Terrace

We intend to pursue our plans for the upgrading and extending of the property in the expectation that, by the end of the next financial year (August 31st 2025), the work will have neared completion if not been completed altogether. Hopes that we would have reached this stage by the end of August 2024 were dashed by the delays in obtaining planning permission from the London Borough of Waltham Forest (LBWF). By the end of the financial year no decision had been made by LBWF. This meant that the project had to be kept on hold. Planning permission was finally accorded on November 15th 2024. The Trustees are now preparing to work with the architects to start implementing the plans. The costs will be covered by funds already drawn down from one of the charity's investment funds (currently in an easy-to-access interest bearing account) or earmarked for draw down from another fund when required. Some of the costs will be offset by the sale of a property in Cambridge once the work is sufficiently well advanced.

2. Governance

Although there is no immediate intention to change the status of the Delegation within the Congregation to that of a Group depending directly on the General Council, it is important from now on to ensure that the necessary elements of charity governance are in place. To this end, the Trustees aim to develop closer working relationships with members of the General Council so that the latter have a good understanding of e.g. English charity law and the actual situation of the Sisters within the Delegation. Efforts will be made during the next year to make progress in this area.

3. Monitoring of long-term financial forecasting

The Trustees will continue to work on a ten year Action Plan for financial sustainability and to update assumptions for the Congregation's Long Term Forecast when it is updated in 2025.

Structure, governance and management
The Charity is a charitable incorporated organisation.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Sr J V Langford	
Sr M Robin	
Sr L M Teer	(Appointed 26 October 2023)
Sr C E Brown	
Sr J Dines	
Mr T Haigh	
Mr R Verley	
Ms J Bourne	(Appointed 15 November 2023)

1. In terms of Canon Law, the Congregation is governed at international level by an elected Superior General and Council in accordance with the Congregation's own Constitutions. These were written in 1640, updated in 1984, and approved both times by the Vatican. The Congregation is organised in a number of broad geographic regions known as Vicariates (with their own governance structure) or, when numbers have diminished, as Delegations (depending more directly on the General Council). The UK has been a Delegation since 2016 (having been set up as a Vicariate in 1950). The Delegation is governed by a Delegate, appointed by, and answerable to, the Superior General. All the Sisters in the Delegation are welcome to discuss important issues and their opinions are taken into account. Associates are welcomed at meetings as non-voting members.

2. In terms of civil law, the Delegation (previously the Vicariate) was first governed as a registered charity by a Trust Deed dated October 1962, together with a Scheme dated June 1997; it was registered under the Charities Act 2011 as No. 229051. In March 2016 an application was made to the Charity Commission to become a Charitable Incorporated Organisation (CIO). The application was granted on 5th April 2016, and from that date the CIO Constitution became the charity's governing document, replacing the 1962 Trust Deed. A new charity number, 1166361, was assigned. The change-over became effective on 1st September 2016. Overall responsibility lies with the Delegate (appointed by the Superior General) who, as the sole member, appoints the Trustees. The Trustees are helped by a Bursar and an Executive Director, both appointed in 2018, and a Care Manager, appointed in 2020.

3. The Trustees who served during the year, consisted of the Delegate, four other members of the Delegation and three lay Trustees, one of whom is the General Council's Finance Director. The Executive Director is responsible for the day-to-day running of the charity and is the line-manager for mot other employees. Throughout the accounting year, the Trustees worked closely with the Executive Director, the Bursar, the Care Manager and various professional advisors. Formal meetings were supplemented by email and telephone contact. From March 2020 onwards, all meetings have been via Zoom or Microsoft Teams. New Trustees are appointed in accordance with the Constitution and are selected from persons with relevant charity experience and skills. On appointment, new Trustees are made aware of their responsibilities and are provided with background information on the charity and its objectives. Further training may be provided.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.

Sr J Dines
Trustee

24 March 2025

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Income and endowments from:							
Donations and legacies	**3**	201,086	-	201,086	198,421	-	198,421
Charitable activities	**4**	9,713	-	9,713	9,825	-	9,825
Investments	**5**	215,482	77,724	293,206	200,671	74,903	275,574
Other income	**6**	-	-	-	7,005	-	7,005
Total income		426,281	77,724	504,005	415,922	74,903	490,825
Expenditure on:							
Raising funds	**7**	38,259	9,367	47,626	36,516	9,666	46,182
Charitable activities	**8**	688,476	320,046	1,008,522	681,737	292,265	974,002
Total expenditure		726,735	329,413	1,056,148	718,253	301,931	1,020,184
Net gains/(losses) on investments	**13**	437,054	107,092	544,146	(475,245)	(207,423)	(682,668)
Net expenditure		(300,454)	(251,689)	(552,143)	(302,331)	(227,028)	(529,359)
Other recognised gains and losses:							
Revaluation of tangible fixed assets		-	-	-	-	150,000	150,000
Other losses	**15**	(187)	-	(187)	-	-	-
Net movement in funds	**10**	(300,641)	(251,689)	(552,330)	(302,331)	(77,028)	(379,359)
Reconciliation of funds:							
Fund balances at 1 September 2023		7,046,338	4,455,290	11,501,628	7,823,914	4,739,741	12,563,655
Fund balances at 31 August 2024		7,182,751	4,310,693	11,493,444	7,046,338	4,455,290	11,501,628

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

Opinion

We have audited the financial statements of Congregation of Our Lady Canonesses of St Augustine CIO (the 'Charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the charity and its activities, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, Data Protection Act, GDPR, and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, being FRS 102 and Charities SORP (FRS 102) (effective January 2019). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgemental areas of the financial statements.

Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management;
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations;
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations;
- Assessment of identified fraud risk factors;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud;
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business;
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

Oliver Read FCCA ACA (Senior Statutory Auditor)
for and on behalf of James Todd and Co Limited 25 March 2025

Chartered Accountants
Statutory Auditor

Drayton House
Drayton Lane
Chichester
West Sussex
PO20 2EW

James Todd and Co Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**16**		2,256,448		2,293,974
Heritage assets	**17**		400,000		400,000
Investments	**18**		9,094,900		8,818,630
			11,751,348		11,512,604
Current assets					
Debtors	**19**	14,325		13,029	
Cash at bank and in hand		792,011		1,111,665	
		806,336		1,124,694	
Creditors: amounts falling due within one year	**20**	(393,980)		(465,410)	
Net current assets			412,356		659,284
Total assets less current liabilities			12,163,704		12,171,888
Creditors: amounts falling due after more than one year	**21**		(670,260)		(670,260)
Net assets			11,493,444		11,501,628
The funds of the Charity					
Unrestricted funds - general	**24**		7,182,751		7,046,338
Unrestricted funds - designated	**23**		4,310,693		4,455,290
			11,493,444		11,501,628

The financial statements were approved by the Trustees on 24 March 2025

Sr J Dines
Trustee

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash absorbed by operations	**28**		(880,738)		(859,815)
Investing activities					
Purchase of tangible fixed assets		-		(2,684)	
Proceeds from disposal of tangible fixed assets		-		7,000	
Purchase of investments		(1,512,134)		(2,349,066)	
Proceeds from disposal of investments		1,780,012		2,406,882	
Investment income received		293,206		275,574	
Net cash generated from investing activities			561,084		337,706
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(319,654)		(522,109)
Cash and cash equivalents at beginning of year			1,111,665		1,633,774
Cash and cash equivalents at end of year			792,011		1,111,665

1 Accounting policies

Charity information

Congregation of Our Lady, Canonesses of St Augustine CIO is a Charitable Incorporated Organisation governed by a constitution dated 5 April 2016. It is registered with the Charities Commission under charity number 1166361. The registered office is the Delegation Office, 35 Maude Terrace, London, E17 7DG.

The CIO was set up to take over the activities of the previously unincorporated trust from 1 September 2016. That charity was previously registered with the Charity Commission under charity number 229051 under the name of The Congregation of Our Lady Canonesses of St Augustine, and was governed by a trust deed dated October 1962 and a scheme dated June 1997.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's constitution, the Charities Act 2011, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services and facilities are included at the value to the charity where this can be quantified.

Investment income is dividends and interest generated by the charity's share portfolios, as well as bank interest, and is recogniseed in the SoFA when receivable.

1.5 Expenditure

All expenditure is incurred in pursuit of the charity's objects as laid down in the constitution and is recognised in the accounts when payable. It includes irrecoverable VAT.

The costs of raising funds includes the fees paid to investment managers in respect of the management of the charity's investment portfolios.

Charitable expenditure comprises that related to running the Religious Communities and includes staff costs attributable to the activity. It includes both direct costs and support costs relating to such activities.

Support costs, including governance costs, are those functions that assist the deliverance of the charitable activities. Governance costs comprise expenditure for advice on constitutional and statutory matters and costs of compliance. Support costs wholly relate to the charitable activity of running the Religious Communities and so have been allocated wholly to that activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Fixtures, fittings and equipment	20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Freehold land, representing approximately one third of the deemed cost, and assets in the course of construction, are not depreciated.

Tangible fixed assets are capitalised if they can be used for more than 1 year and cost more than £5,000.

1.7 Heritage assets

Heritage assets are included in the accounts under the revaluation method, based on the most recent valuation obtained. The valuation is based on the best estimate by competent professionals, although consideration should be given for the uniqueness and inherent difficulty in valuing such items.

1 Accounting policies **(Continued)**

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income or expenditure for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Legacies and dowries

Legacies and dowries are capital amounts held on behalf of individual Sisters during their lifetimes and are distributed in accordance with their wishes on death. The figure included in calculated as its historical cost when the Sisters joined, and is not re-measured to fair value at the year-end date. The Trustees believe this is to be the most appropriate policy due to uncertain timing of their deaths and their wishes. As a consequence, the Trustees do not consider that the large expenses needed in order to calculate the figure is justified. This is in accordance with the policy on estimates in Note 2.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	2,177	7,335
Salaries	10,040	15,384
Pensions	188,869	175,702
	201,086	198,421

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income		
Other income	9,713	9,825

5 Income from investments

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Income from listed investments	166,731	65,986	232,717	171,602	72,045	243,647
Interest receivable	48,751	11,738	60,489	29,069	2,858	31,927
	215,482	77,724	293,206	200,671	74,903	275,574

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	-	7,000
Other income	-	5
	-	5

7 Expenditure on raising funds

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Investment management	38,259	9,367	47,626	36,516	9,666	46,182

8 Expenditure on charitable activities

	Community running expenses 2024 £	Community running expenses 2023 £
Direct costs		
Staff costs	286,863	279,671
Depreciation and impairment	37,524	38,089
Community and personal	414,987	396,273
Donations	31,212	38,966
Premises costs	126,105	124,960
	896,691	877,959
Share of support and governance costs (see note 9)		
Support	89,564	78,805
Governance	22,267	17,238
	1,008,522	974,002
Analysis by fund		
Unrestricted funds - general	688,476	681,737
Unrestricted funds - designated	320,046	292,265
	1,008,522	974,002

9 Support costs allocated to activities

	2024	2023
	£	£
Support staff costs	32,287	33,127
Professional fees	34,379	16,440
Office expenses	13,753	11,262
Rent	6,000	6,000
Health and safety - fire risk assessment	375	8,061
Safeguarding	2,770	3,915
Governance costs	22,267	17,238
	111,831	96,043
Analysed between:		
Community running expenses	111,831	96,043

Governance costs comprise:	2024 £	2023 £
Audit fees	10,080	5,260
Accountancy	5,400	3,500
Delegation expenses	6,787	8,478
	22,267	17,238

10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	10,080	5,260
Depreciation of owned tangible fixed assets	37,524	38,088
Loss/(profit) on disposal of tangible fixed assets	-	(7,000)

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year in respect of their services. No trustees received reimbursement for travelling expenses in the year (2023: £Nil).

The total aggregate donations received by the charity during the year from the 4 religious trustees, comprising of small gifts, donated pensions and salary income, was £34,591 (2023: £47,382).

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Administration	4	4
Care staff and other	11	13
Total	15	17

Employment costs	**2024 £**	**2023 £**
Wages and salaries	290,235	282,040
Social security	18,111	20,517
Other pension	10,804	10,241
	319,150	312,798

As part of its operations, the charity has an obligation to care for the Sisters in their old age. Should there be any periods where additional care staff are required, the charity engages agency staff via reputable agencies. The agency staff used have the relevant skills and abilities required so as to maintain the charity's high standards. These individuals are employed by the agencies, who retain all the responsibilities and requirements associated with employment. These include, but are not limited to, remuneration packages, disciplinary procedures, holiday entitlements and employment law considerations. The total costs for agency and contract care staff during the year was £145,021 (2023: £124,988).

Total amounts paid to Key Management Personnel during the year were £127,670 (2023: £128,933).

During the year no redundancy payments (2023: £Nil) were paid to former employees.

There were no employees whose annual remuneration was more than £60,000.

13 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Revaluation of investments	388,188	110,857	499,045	(426,853)	(184,137)	(610,990)
Sale of investments	48,866	(3,765)	45,101	(48,392)	(23,286)	(71,678)
	437,054	107,092	544,146	(475,245)	(207,423)	(682,668)

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Other gains and losses

	Unrestricted funds 2024	Unrestricted funds 2023
Gains/(losses) upon:	£	£
Foreign exchange	187	-

16 Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2023	2,606,939	5,630	8,118	2,620,687
At 31 August 2024	2,606,939	5,630	8,118	2,620,687
Depreciation and impairment				
At 1 September 2023	315,117	3,480	8,118	326,715
Depreciation charged in the year	36,987	537	-	37,524
At 31 August 2024	352,104	4,017	8,118	364,239
Carrying amount				
At 31 August 2024	2,254,835	1,613	-	2,256,448
At 31 August 2023	2,291,823	2,151	-	2,293,974

The carrying value of land included in land and buildings comprises:

	2024	2023
	£	£
Freehold	1,370,575	1,370,575

16 Tangible fixed assets **(Continued)**

The freehold properties were valued to fair value at the transition date of 1 September 2014 as part of the transition to FRS102 and this valuation has been incorporated into the accounts as the deemed cost. Approximately one third of this deemed cost represents the land which is not depreciated.

The valuation of the individual houses was carried out by Mr Ayaz Siddiqui on 27 March 2017, based on the Land Registry average house prices index which put the properties at a fair value, based on vacant possession, of £2,923,118.

More House was sold in 2021 for £24,800,000.

The properties were previously valued in 1999 at the value estimated by the trustees, plus the cost of subsequent additions, being £6,216,559. As a result of the revaluation to fair value, designated fund reserves at 1 September 2014 increased by £26,760,560.

Fixtures and fittings are included at the Trustees' estimate in 1999 of their replacement values for insurance purposes, plus the cost of any subsequent additions.

17 Heritage assets

	Alabaster carving £
At 1 September 2023 and at 31 August 2024	400,000

An Alabaster carving, of great historical significance, was held in the Chapel in More House, and has now been moved to the Norwich Castle Museum. Christies Auctioneers valued the carving at £400,000 in July 2023. The value of the carving, both financial and historical, has been established, and by lending this item to a museum, that its significance may be understood and appreciated by the public. As such, the Trustees consider that it is now appropriate to recognise this as a heritage asset. The Trustees believe the valuation of £400,000 was appropriate at the year-end.

18 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 September 2023	8,788,630	30,000	8,818,630
Additions	1,385,396	375,000	1,760,396
Valuation changes	499,045	-	499,045
Disposals	(1,983,171)	-	(1,983,171)
At 31 August 2024	8,689,900	405,000	9,094,900
Carrying amount			
At 31 August 2024	8,689,900	405,000	9,094,900
At 31 August 2023	8,788,630	30,000	8,818,630

18 Fixed asset investments **(Continued)**

	2024	2023
	£	£
Listed investments historical cost	8,929,145	9,154,940

Included above are £353,054 (2023: £104,793) held by the investment managers for re-investment.

19 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Prepayments and accrued income	14,325	13,029

20 Creditors: amounts falling due within one year

	2024	2023
	£	£
Accruals and deferred income	393,980	465,410

21 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Other creditors	670,260	670,260

Other creditors represent legacies and dowries which are capital amounts held on behalf of the individual Sisters during their lifetimes and are distributed in accordance with their wishes on death.

22 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	10,804	10,241

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

23 Unrestricted funds - designated

These are unrestricted funds which are material to the Charity's activities.

	At 1 September 2023	Incoming resources	Resources expended	Gains and losses	At 31 August 2024
	£	£	£	£	£
Transfers	150,000	-	-	-	150,000
Capital fund	2,578,810	-	-	-	2,578,810
Retirement fund	1,056,220	77,724	(329,413)	107,092	911,623
Dowries and inheritances fund	670,260	-	-	-	670,260
	4,455,290	77,724	(329,413)	107,092	4,310,693

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Gains and losses	At 31 August 2023
	£	£	£	£	£
Transfers	-	-	-	150,000	150,000
Capital fund	2,578,810	-	-	-	2,578,810
Retirement fund	1,440,744	74,903	(252,004)	(207,423)	1,056,220
Dowries and inheritances fund	720,187	-	(49,927)	-	670,260
	4,739,741	74,903	(301,931)	(57,423)	4,455,290

The Capital fund represents the accumulated value of the properties held at the year-end. Transfers during the year represent additions, disposals and depreciation charges.

The Retirement fund represents monies set aside for the Sisters' retirement and to cover their medical and nursing needs. The fund is represented by investments and cash, and the investment managers' costs are charged against the fund. Transfers during the year represent movements from the unrestricted fund to increase the Retirement Fund balance after investments were sold to release liquid reserves for the continuing care of the Sisters.

The Dowries and inheritances fund represents monies set aside to preserve the capital belonging to individual Sisters until their death.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023	Incoming resources	Resources expended	Gains and losses	At 31 August 2024
	£	£	£	£	£
General funds	7,046,338	426,281	(726,735)	436,867	7,182,751

24 Unrestricted funds **(Continued)**

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Gains and losses	At 31 August 2023
	£	£	£	£	£
General funds	7,823,914	415,922	(718,253)	(475,245)	7,046,338

25 Analysis of net assets between funds

	Unrestricted funds general 2024	Unrestricted funds designated 2024	Total 2024
	£	£	£
Fund balances at 31 August 2024 are represented by:			
Tangible assets	1,613	2,254,835	2,256,448
Heritage assets	-	400,000	400,000
Investments	6,768,782	2,326,118	9,094,900
Current assets/(liabilities)	412,356	-	412,356
Long term liabilities	-	(670,260)	(670,260)
	7,182,751	4,310,693	11,493,444

	Unrestricted funds general 2023	Unrestricted funds designated 2023	Total 2023
	£	£	£
Fund balances at 31 August 2023 are represented by:			
Tangible assets	2,150	2,291,824	2,293,974
Heritage assets	-	400,000	400,000
Investments	6,235,737	2,582,893	8,818,630
Current assets/(liabilities)	808,451	(149,167)	659,284
Long term liabilities	-	(670,260)	(670,260)
	7,046,338	4,455,290	11,501,628

26 Financial commitments, guarantees and contingent liabilities

The Charity is committed to the care of the Sisters in their old age, and to provide for their future medical and nursing needs.

The global Congregation use the long-term forecast model (LTF) to estimate and plan the cost of this provision, and the latest figures calculated for the UK showed an estimate of £7 million based upon the preset cost of running the Charity at today's prices.

However, upon review of these figures, the Charity believes that by updating some assumptions used in the model it can reduce the current estimate of the provision. As such, this figure has not been recorded within the financial statements.

The Trustees have set aside funds in a designated Retirement fund to cater for this eventuality and these funds are represented by investments and cash.

27 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

28 Cash absorbed by operations	**2024**	**2023**
	£	**£**
Deficit for the year	(7,997)	(1,212,027)
Adjustments for:		
Investment income recognised in statement of financial activities	(293,206)	(275,574)
Foreign exchange differences	(187)	-
Gain on disposal of tangible fixed assets	-	(7,000)
(Gain)/loss on disposal of investments	(45,101)	71,678
Fair value gains and losses on investments	(499,045)	610,990
Depreciation and impairment of tangible fixed assets	37,524	38,089
Movements in working capital:		
(Increase) in debtors	(1,296)	(2,804)
(Decrease) in creditors	(71,430)	(83,167)
Cash absorbed by operations	(880,738)	(859,815)

29 Analysis of changes in net funds

The Charity had no material debt during the year.

CONGREGATION OF OUR LADY, CANONESSES OF ST. AUGUSTINE CIO

England & Wales - Charity number 1166361

Accounts

Charity registration number 1166361

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sr J V Langford	
	Sr M Robin	
	Sr L M Teer	(Appointed 26 October 2023)
	Sr C E Brown	
	Sr J Dines	
	Mr T Haigh	
	Mr R Verley	
	Ms J Bourne	(Appointed 15 November 2023)
Charity number	1166361	
Principal address	Delegation Office 35 Maude Terrace London E17 7DG	
Auditor	James Todd & Co Limited Drayton House Drayton Lane Chichester West Sussex PO20 2EW	
Bankers	Lloyds Business Banking 4th Floor 125 London Wall London EC2Y 5AS	
Solicitors	Holmes and Hills LLP Bocking End Braintree CM7 9AJ	
Investment advisors	JM Finn & Co 25 Copthall Avenue London EC2R 7AH	
	Greenbank Investments 8 Finsbury Circus London EC2M 7AZ	

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

CONTENTS

	Page
Trustees' report	1 - 17
Independent auditor's report	18 - 21
Statement of financial activities	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25 - 41

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Congregation of Our Lady, Canonesses of St Augustine (CSA) is an international Roman Catholic religious order, founded in Lorraine (now part of France) in 1597. According to our founders, our aim is to “do good to all and harm to none” (Saint Peter Fourier) and “to do all the good possible” (Blessed Alix Le Clerc). At the beginning, this was to be done especially by opening schools and providing free education for girls, “both rich and poor alike.” Nowadays, we dedicate ourselves to the work of education and human development in all its aspects. We have a preference for helping those in greatest educational need, and we place particular emphasis on addressing the causes of poverty and injustice. We currently number a little over 320 Sisters and about 250 Associates (members of the Congregation who support its work and ethos but do not make vows) in Africa, Asia, South and Central America, and Europe. Sisters first came to Britain from France in the early twentieth century. At the end of the accounting year, we were 15 Sisters in Britain, aged between 60 and 102 living in different parts of England and Scotland. There were also 18 Associates living in England, Ireland, Scotland and Africa.

a) According to the Congregation’s charitable incorporation document (‘the CIO Constitution’), dated April 5th, 2016, the general objective of the charity is ‘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 Delegate shall from time-to-time think fit.”

b) The Constitutions proper to the Congregation (‘the Constitutions’), written in 1640 and revised in 1984, make this clear: “whatever our work, ... our desire as religious and educators is to promote the development and growth of the whole person and to make our contribution to the recognition of each person’s dignity (#5).” The Constitutions also insist that human development cannot happen without the promotion of human rights and other aspects of social justice, and this too is reflected in our objectives. The advanced age of most of the Sisters means that our contributions are mainly voluntary, and often of modest scope, but they are many and various, according to each one’s abilities. In the spirit of our Constitutions “we all take part in this mission, whatever our age, our state of health or our abilities (#6).”

The range of both individual and communal contributions to the charity’s aims and objectives, and the impact these have had on a variety of people, are set out in the later part of this report, “Achievements and Performance.”

Strategies for achieving aims and objectives

Our assets exist to provide adequate material provision for each Sister to fulfil her particular educational mission and her religious commitment until the very end of her life. Our primary aim, therefore, is to ensure that the charity remains viable and active through good governance and good financial management in line with the Social Teaching of the Roman Catholic Church.

A. **Our main strategies have been**:

1. To promote the development and growth of the whole person in accordance with the Congregation's motto to "do good to all," while recognising each person's individual needs.
2. To further improve the material care and support provided for all our Sisters, wherever they are living.
3. To work with our investment managers to ensure that funds are invested both profitably and ethically in line with Catholic Social Teaching.
4. To show financial solidarity with the Congregation and to contribute to other educational projects.
5. To ensure long-term stable governance.

B. Specific objectives have been:

1. To undertake due diligence on recipients of grants from the proceeds of the sale of More House in 2021.
2. To make provision for two items of historical value.
3. To make current governance more effective.
4. To further develop safeguarding practices and protocols.
5. To monitor and improve health and safety standards, especially at St Leonards on Sea.
6. To research the adaptation of properties for future accommodation needs

The steps taken to achieve these strategies and objectives were as follows:

A. Achieving our main Strategies

1. "To do good to all."

By careful monitoring of the Sisters' living conditions and financial situations, the Trustees have ensured that, whether living in the same house, or alone, the Sisters have been able to engage as fully as age and health permit in religious and educational work for the benefit of a wide variety of people and needs.

2. Care of the Sisters

The Trustees remain committed to the provision of 24-hour care for the elderly and infirm Sisters at St Leonards on Sea, East Sussex. This is achieved by ensuring that rotas of regular contracted nurses, carers and cooks are in place at all times, supplemented when necessary by agency staff under the management of a full-time Care Manager.

The healthcare needs of the Sisters living elsewhere are taken in hand by the Care Manager through personal contact and visits.

3. Investment Management

Our aim is to achieve a return on our investments that is balanced between capital growth and income, all with a low to medium risk profile. We exclude investments that run counter to our ethical convictions and increasingly favour impact investments in line with Catholic Social Teaching. In particular, we are motivated by Pope Francis' encyclical letter "Laudato Si'" on 'Care for our Common Home.' In this perspective, the Trustees have continued to interact with Greenbank Investments and with J.M. Finn in seeking to prioritise companies that are trying to bring about improvements in society and the environment, e.g. by developing new kinds of green energy.

Performance of all portfolios is monitored by the Trustees. The Trustees, in discussion with the investment managers, pay due regard to the strategies and objectives of the charity and ensure that the charity remains financially viable and able to meet all its financial obligations.

4. Engaging in Financial Solidarity

We have continued to support our Sisters worldwide as well as contributing to several other organisations which share our educational vision, as follows:

i. As in previous years, we allocated £50,000 to the General Council of the Congregation. This annual payment is to help the General Council carry out its mandate of coordinating the life and work of the Congregation worldwide. A receipt, as always, was received. An account of how the General Council spends the money it receives from the various parts of the Congregation was provided during an Extended General Council meeting in Hungary in March 2023 at which the Delegate (the Chair of Trustees) was present.

i. The Delegation receives appeals from various national and international projects. Appeals to the Delegation must fulfil certain criteria, such as being primarily educational in purpose, and of modest scope. An Appeals Committee of Sisters looks at applications received during the year and makes proposals at the annual Delegation Meeting, normally held in August but this year held in September 2023. Although the change of date brought the meeting into the next financial year, the sum of £20,000 from Delegation resources had already been budgeted for in the current year and so is included here. The money was allocated as follows:

a) £4,750 to the Karenni Student Development Programme (KDSP) for young ethnic people forced from their homes by the Myanmar regime and in need of help with tertiary education. The project is now under the auspices of Advance Myanmar (www.advancemyanmar.org). Our donation will be clearly marked as for the KDSP.

b) £5,500 to Congo Prisoners: supporting some of our Sisters in the Democratic Republic of the Congo in their provision of food and legal services to prisoners who would otherwise struggle to survive.

c) £8,250 to Bega kwa Bega (Swahili for "Shoulder to Shoulder"), a Ugandan charity founded by an old pupil of the school once run by the Sisters. " Administered entirely by Ugandans, it supports some of the many orphans in that country, currently about 2.5 million – or 8% of the total population (see www.ronnah-orphanage.com December 2023)."

d) £1,500 to the Shri Bhagawati Lower Secondary School, a project in a remote and poor area of Nepal, which continues to make good progress.

In all cases, the overseas donations are tracked by means of receipts, letters and written reports.

5. Ensuring long-term stable governance

The main concern is that, when the Delegation is no longer able to function without more direct oversight by the General Council, a viable Board is in place able to ensure the running of the charity and its assets. The steps taken are described in the next section, item 3.

B. Meeting Specific Objectives

1.To undertake due diligence on recipients of grants from the sale of More House.

With the £3 million allocated for grants in memory of More House now allocated and in large part disbursed, as detailed in last year's report, the process of monitoring the various projects is under way. The requirement to report on progress was included in the written agreement entered into prior to the release of funds to each beneficiary. These agreements set out the expectations and objectives attached to each grant. The Executive Director now receives reports from the beneficiaries and gives an account to the Trustees who are responsible for ascertaining that the money granted is being used for the purposes for which it was given. They are aware of the importance of this task in order to ensure that the Charity's assets are being used for the common good in a responsible way. Information is received at irregular intervals because the awards were made at different points during the previous year. Monitoring arrangements differ depending on the type of award, but each organisation typically has 3 months from the end of the monitoring period to provide the information.

All information - including photographic - is held in a central file for each organisation where it is readily available.

Two Special Cases

a) At the start of the financial year, all the monies had been released, with the exception £440,650 due to the Margaret Beaufort Institute of Theology, Cambridge (www.margaretbeaufort.cam.ac.uk),pending a revised sustainability plan which was made necessary by changes in policy resulting from the pandemic. A further £65,400 is to be released in early September 2023.

b) A temporary setback was experienced by the St Pierre & Alix Life Skills Training College, Naddangira, Uganda. Due to unforeseen events in Uganda (principally the aftermath of the pandemic and soaring construction costs), the sum they had asked for proved insufficient for the completion of the project. Although the Trustees had no further funds available, the necessary money was raised by other benefactors and successfully transferred by a Sister in the Delegation who acted as intermediary. Photographic evidence of the progress of the project has been received.

2. To make provision for two items of historical value.

a) A pre-Reformation Alabaster panel of the Assumption of the Virgin, formerly in the chapel at More House, has been loaned to the Castle Museum, Norwich. A loan agreement, initially for five years, was signed on May 18th 2023 and the Alabaster was transferred to the Museum on July 13th 2023. It is currently in secure storage, pending refurbishment of the museum's Medieval Galleries. When these reopen in 2024, the Alabaster will form the centre piece of a display on 'the Cult of the Virgin.' Specialists and general public alike will then be able to visit and admire this rare, historic and beautiful example of religious art.

b) When the Sisters left East Yorkshire, they gave to the Hornsea Museum two valuable 19th century dolls dressed in the traditional habit of the Congregation. These had been brought from Paris when the Sisters were forced to leave because of the anti-clerical Combes Law in 1904. In May 2023 the museum returned the dolls to the Delegation where they await valuation before being returned to the Congregation's central archives in France.

3. To make current governance more effective

a) Appointment of a Vice Chair. Although the charity's CIO Constitution does not require the appointment of a vice chair, the Trustees decided that it was prudent to make an appointment in case the Delegate was unable for any reason to chair a meeting of the Board. In May 2023, Mr Timothy Haigh, one of the Trustees, was appointed to serve as Vice Chair. The appointment is for one year, renewable.

b) Finance Committee and Working Groups

i) Finance Committee

The Committee was constituted in June 2022, replacing the former Finance and Administration Committee. Its remit is primarily to help with the preparation of the annual budget and with the monitoring of investments.

During the current year, the Committee had one formal meeting, on July 13th 2023, principally to discuss the draft budget for 2023-2024. At the end of the meeting, the members voted unanimously for the draft budget to be presented to the Board for approval at its next meeting.

ii) Working Groups Through the creation of small sub-groups composed of Trustees and other qualified individuals, work in specific areas has been streamlined and responsibilities have been shared. The Working Groups currently in existence are responsible for:

- Investments: (1 Trustee; Delegation Bursar)
- Insurance: (1 Trustee; Executive Director)
- Audit and Risk: (Delegate; Executive Director; Delegation Bursar)
- Safeguarding: (2 Trustees; Executive Director; Care Manager; 1 Sister)
- Properties: (2 Trustees; Executive Director; 2 Sisters)

All Working Groups report to the Board.

c) Recruiting New Trustees

Although this is not urgent, additions to the Board need to be found in good time, given the diminishing number of Sisters capable of serving as Trustees and the necessity to have a well-established group by the time the General Council takes a more direct responsibility for the Delegation.

Our CIO Constitution specifies a minimum of 3 Trustees but does not set a maximum number; a majority must, however, be Roman Catholic. In considering criteria, the Trustees agreed that the most important qualification was personal knowledge of the Sisters with understanding of and sympathy for their aims and ethos. Being 'on our wavelength' was even more important than having some particular expertise to offer (although this was important too).

After discussion, it was decided, as a first step, to look for two additional Trustees straight away. Three possible candidates were to be approached:

- One of the Sisters, who was already involved as a member of the Safeguarding Group, and who had been attending Board Meetings as an observer, was asked and agreed to become a trustee. She was formally appointed on October 26th 2023.
- A former pupil of one of the Delegation's schools, who had served on the Executive Committee of More House (the Delegation's student Hall of Residence in London until its closure in 2020) and who is currently Head of the Law School at Roehampton University was approached and expressed her willingness to join the Board. She was formally appointed on November 15th 2023.
- Another close friend and neighbour of the Sisters in London, also with a legal background, is willing to be recruited in the future.

4. To further develop the charity's safeguarding practices and protocols.

The Trustees are aware of the seriousness of this issue and of their responsibilities 'in preventing and responding to incidents of bullying and harassment' and of having 'welfare, discipline and whistleblowing policies for staff, including clear policies and procedures on bullying and harassment,' (cf., Charity Commission statement, August 11th 2022). 'Safeguarding' is a standing item at Board meetings; it consists of briefings and updates from the Chair and the Delegation's named Safeguarding Lead.

The charity is a member of both the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS).

a) CSSA. An annual per capita fee of £85 has been agreed for all religious congregations for three years to 2025; it is paid monthly by Direct Debit. Our first payment was taken in January 2022.

b) RLSS. A per capita fee of £115 is paid on or around 1st April each year.

Safeguarding Policies

During the year, the Trustees mandated the Safeguarding Team (one of the working groups set up by the Board) with collating and updating the Delegation's existing policies relating both to employees (especially at St Leonards) and to Sisters.

As well as being needed for internal use, these policies are required both by the RLSS, which must approve the policy, and by the Congregation's General Council.

The RLSS exists to give advice and help on Safeguarding matters. The Safeguarding Team tapped into this resource while working on the policy documents.

By the end of August 2023 two documents were ready in draft awaiting the Trustees' approval. This was given at their first meeting of the next financial year (October 20th 2023). The documents are:

a) 'Congregation of Our Lady, Canonesses of St Augustine, CSA, Safeguarding Policy'

b) 'Congregation of Our Lady, Canonesses of St Augustine, CSA, Bullying Policy.'

Once these documents have been approved, copies will be given to all members of staff at St Leonards to be individually signed at one of the regular Safeguarding Staff Meetings.

Safeguarding Training

The RLSS organises relevant training sessions for Trustees, Safeguarding Leads and others concerned. Many trainings have already been undertaken; a few others are scheduled for the coming months. After each Training, the participant is issued with a certificate of attendance; these certificates will be taken into account when the time comes for the charity to be audited by the CSSA.

To date, Trustees and other key members have taken part in one or more of the following training sessions:

Basic Safeguarding
Advanced Safeguarding
Trustee Training
Training for Safeguarding Leads
Safeguarding for Spiritual Direction
Training for Religious Life Group Leaders

DBS checking

The charity's Care Manager is the lead member of the Safeguarding Team for dealing with DBS checks. She added to her existing years of experience in this area by attending the relevant RLSS Training and is able to conduct UCheck applications. By the end of the year, DBS checks had been carried out on all relevant Delegation members and on all members of the charity's staff.

'Safe Spaces'

This joint Roman Catholic and Anglican project was set up in 2023 as a free service for survivors of church-related abuse. It asked for voluntary financial contributions from religious orders to help cover costs for the next three years. In May 2023, the Trustees authorised a donation of £300 to this appeal.

5. To monitor and enhance health and safety requirements

a) During the year, scheduled works were carried out to meet the requirements of the Fire Risk Safety Assessments, carried out by a Fire Safety Risk Assessor at St Leonards in 2022. The main requirements concerned Filsham Lodge:

i) replacing and fireproofing all interior doors
ii) removing an external fire escape and installing 'escape windows' on the first and second floors
iii) blocking off a shaft for a dumb waiter
iv) decommissioning a lift between the ground and first floors and blocking off the lift shaft.

Both Alix Lodge and Filsham Lodge now meet Fire Safety Standards.

b) Health and safety issues concerning the Sisters living elsewhere than at St Leonards are monitored by the Care Manager during her visits.

6. **To research the adaptation of properties for future accommodation**

In August 2022, proposals were put forward to reduce the number of separate addresses for the Sisters in favour of a more accessible community life. There were to be two 'hubs,' one centred on St Leonards, the other on Walthamstow.

a) St Leonards: Filsham Lodge and Alix Lodge

As well as improving the functioning of the existing community, research was to be undertaken into adapting one of the two properties to provide self-contained living space for two Sisters who were thinking of moving to St Leonards. Although reinforcing the local community, they would also need to maintain a measure of independence for personal reasons and because one of them was still actively engaged in professional work. The possibility of erecting a garden office for staff use was also suggested.

To this end, in November 2022, Mr Will Ray of the firm of Gerald Eve visited St Leonards, together with members of the Properties Group, and made a thorough examination of the two houses and the grounds. There was a special focus on Alix Lodge as the most likely place for creating independent accommodation.

A report was then submitted by Mr Ray, of which the most important points were:

- The two houses together had ample bedroom space for future needs
- Careful account should be taken of the likely decrease in the number of Sisters over the next few years.
- Costs of the proposed adaptations were likely to be very high, especially if a first-floor extension to Alix Lodge were to be undertaken, and the work itself would be lengthy and disruptive for the resident Sisters, some of whom are in fragile health.
- The two properties are domestic houses and ill-suited to the needs of elderly people. This should be taken into account in our decision-making.
- Repairing liabilities and running costs, which can only increase given the age of the properties, must be factored in according to a well-worked out maintenance plan.
- Efforts should be made into greater energy efficiency in planning any future building work or internal adaptations.

In February 2023, the Properties Group met to consider the report and concluded that the proposed adaptations were both too costly and too disruptive to be acceptable. The Sisters who had proposed moving to St Leonards reconsidered their options and decided not to move but to stay where they were in London for the time being.

Revised plans for St Leonards. Once it became clear that there would be no increase in the number of Sisters living at St Leonards but that numbers would inevitably decrease, perhaps quite rapidly, a different approach to the use of the two properties was proposed:

- More modest adaptations to Alix Lodge would be taken with the aim of accommodating all the Sisters in the one house, not forgetting necessary provision for resident staff.
- Once this was achieved, ideally within the next two to three years, Filsham Lodge and grounds could then be sold.

Those most concerned have been consulted and various proposals are being drawn up. The Trustees have been kept informed. The work is ongoing.

b) London, Walthamstow: 35 Maude Terrace E17 7DG

As at St Leonards, though on a smaller scale, there is potential for rethinking the use of both house and grounds to allow for closely linked but separate living and office units. Up to four Sisters, living together as a community, would need to be planned for, together with separate living space for the Delegate and provision for the Delegation Office and Archives. In the course of the year, the following steps were taken:

- In April 2023 a list of desiderata was drawn up by the Sisters either already living in the property or intending to move there.
- After research into suitable firms, Potter, Church and Holmes Architects were invited to visit the property, meet the Sisters most directly concerned and understand their needs.
- In July 2023 Potter, Church and Holmes were appointed to carry out the project and provisional plans were submitted. These entail major adaptations to the existing house, including loft conversion, as well as the replacement of the free-standing garage by a garden office, for which planning permissions will have to be obtained. The house will also be made more energy efficient.
- In August 2023 plans were reviewed and adjusted. The finalised plans are expected by the end of November 2023, after which planning permissions will be sought. The estimated cost is likely to be in the region of at least £500,000. It is expected that a good part of the costs will be offset by the sale of a property in Cambridge.

c) 58 St Matthew's Gardens, Cambridge. This house, belonging to the Delegation, is currently occupied by the Delegate. The sale can only go ahead, however, once the adaptations have been made at Walthamstow and the Delegate has been able to move there. Until then, other means of meeting the costs are being planned.

Public benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

We ended the financial year 2022-2023 with 15 Sisters. Six of them were living together at St Leonards on Sea, East Sussex; two were in separate care or nursing homes in Scotland and the remaining seven were living either individually or in pairs in London and East Anglia. All the Sisters contributed to the mission of the Congregation by their interest and prayer. For those now infirm this is their main – and invaluable – contribution. Those who are still active to a greater or lesser extent (including some well into their eighties, or even nineties) have engaged in a wide variety of beneficial activities, as will be shown by a survey of the public benefit provided first by the community at St Leonards and then by the Sisters living elsewhere. The public benefit is grouped under several headings.

St Leonards on Sea, East Sussex

1.Helping People in Need

Two are volunteers at the local hospice, St Michael's, and visit people in their homes as part of the hospice's 'Neighbours' service. One of them works one afternoon a week in the Sara Lee Trust charity shop.

2.Hospitality

Visitors are welcomed by all.

3.Church and Interfaith Involvement:

- Carrying out the role of reader in the parish church, and taking communion to the sick and housebound.
- Participating in a local Julian Prayer Group
- Belonging to a local Interfaith Forum and maintaining social contacts with local Anglican and Independent church groups.
- Knitting sets of nativity figures for an ever-growing clientèle in churches and families.
- All pray constantly for the varied needs of the Church and the world both individually and communally and also for the growing number of people who make their needs known to them.

4.Education, Justice and Development

Individually, the Sisters support a wide range of national and international charities by means of small donations from their personal allowances. There is also a budget for donations in the name of the community as a whole.
They pray daily for peace and justice in parts of the world where there is conflict and oppression.

5.Professional

- one Sister – a former geography teacher - belongs to the local Geology Society and enjoys taking part in events and visits.
- another Sister with a lifelong involvement in the Guide Movement, is Chair of a local Trefoil Guild and helps plan meetings and activities.

6.Ecological

As far as possible, the Sisters shop ethically and locally; they recycle materials and do whatever else they can to protect the environment. Pope Francis' encyclical letter, Laudato Si', on care for our common home, has been their guide in making decisions affecting everyday life. Their large garden is entirely organic, with areas of re-wilding. Many different vegetables are grown and part of the garden is made available to the head gardener to prepare plants for his periodic Plant Sales which are held in the grounds and which attract large numbers of people from many miles around.

7.Filsham Hall

Another significant contribution to public benefit comes from the availability of the freestanding Filsham Hall to various local groups who rent it for their meetings. One of the Sisters oversees the practical arrangements. The building is appreciated especially by elderly and disabled people for its ease of access and its facilities. The Hall also continues to function as a small lending library for a few local subscribers.

Sisters living in London and East Anglia

The impact made by the Sisters living in other locations results from a wide range of activities, of which the following are just a few examples:

1. Helping people in need

- Supporting a drug addict
- Spending one day each week helping look after an elderly lady with dementia. This has included regular outings for meals and to visit places of interest. The relatives have remarked on the degree of improvement this has brought about.
- Helping a new arrival in the local community to find activities to match her needs.
- Being one of a support group helping someone with memory loss.
- Helping Vietnamese refugees with their papers. Occasionally helping as an interpreter.

2. Hospitality

- Making a spare room available for visitors in need of somewhere to stay, e.g. while waiting for a hospital appointment, especially when coming from abroad.
- Welcoming individuals or groups who come to the house; helping with overnight visitors and with the cooking.
- Keeping up with former pupils, students and clients, offering support when needed.
- Keeping an open door and welcoming people who drop in to talk.

3. Church and Interfaith Involvement
- Participation in parish and diocesan meetings (e.g. pre-Synod discussions), in person or online.
- Members of local church-related groups, e.g. Living Laudato Si', which meets regularly in the Sisters' house. The aim of this group is to raise awareness of climate change and to encourage participation in a number of different events and activities.
- Taking part in/helping to organise local parish activities (e.g. 'Nature on the Lawn': sharing food and recipes in the church garden after Sunday Mass in a multi-ethnic London parish).
- Membership of a small ecumenical mutual support group.
- Helping to run a weekly online Gospel sharing group (in Vietnamese).
- Keeping in touch with children with special faith needs and with adults whom this Sister had prepared for baptism.
- Membership of a local Women's Interfaith Network (WIN) in an ethnically diverse part of London. There is an annual online 'Pilgrimage' which this year lasted from 28th June to 20th September, with weekly zooms focussing on different faith communities. A sister represented WIN at this year's Mayor's Civic Service in the London Borough of Waltham Forest and read a prayer on behalf of WIN.
- Participation in local parishes as readers, Eucharistic ministers etc.
- Praying for the needs of those affected by war, climate change, financial hardship because of the current cost of living disaster, or who have asked to be remembered for special reasons in our prayer.

4. Education, Justice and Development
- Signing online petitions: 38 Degrees, Change.org, Cafod, Friends of the Earth, Avaaz and many more.
- Making small financial contributions to chosen charities.
- Participating in peaceful demonstrations organised by e.g., Cafod, Justice and Peace.
- Keeping up to date by reading newspapers, journals etc. and passing on information.
- Supporting 'Church Action on Poverty', an organisation which deals with serious poverty in the North of the country and gives up to date information with on-going campaigns to relieve the debt of the developing countries by keeping the Millennium Promises.
- Supporting Cafod which works directly for overseas development in close partnership with local farmers, promoting and supporting training and the development of projects best suited to their climate and also increasing their prospects of becoming financially self-sufficient. This work is done also in partnership with and support from individuals and groups of people in this country, including many of the Sisters.
- One Sister is UK coordinator for a Ugandan charity; another helps organise support for other projects in Uganda.
- One Sister serves on the Council of the Margaret Beaufort Institute of Theology in Cambridge.

5. Professional
- Coaching some children with special needs, as a volunteer.
- Practising as a Jungian psychotherapist, providing professional help for clients with mental health, relational and spiritual problems coming from different ethnicities, cultures and religions. Very low fees, or none, are charged according to need. This Sister is a registered member of the UK Council for Psychotherapy, a member of the Guild of Analytical Psychologists and of the International Association for Analytical Psychology. With a colleague, she set up and now co-ordinates a new online *Introductory Course in the Foundations of Analytical Psychology* which introduces participants to the life and work of C.G. Jung; she teaches three of the twenty online seminars. In June 2023, she gave a talk at the London Meditatio Centre on '*The Mystical Dimension of the Psyche*.'
- Another Sister is a retired member of the Guild of Analytical Psychologists who continues to accompany people who ask for a combination of psychological and spiritual help. She too tailors her fees to the circumstances of individual clients.
- Another is a member of the Society for Old Testament Studies. She gives occasional help to students and other specialists in the field who contact her with queries.
- Another did voluntary work as a ranger in a wildlife reserve in Norfolk until April 2023, helping to connect visitors with nature.

6. Ecological

All do what they can to reduce plastic use, recycle waste, buy Fair Trade products and so on.

- One Sister writes: 'As climate change and the lack of urgent response to it constitute the biggest threat to the future of humanity on our planet, I support organisations that are responding to this situation. These include CAFOD which emphasises the effects of climate change on the poorest people in the Developing World and Friends of the Earth. I sign the requests of the latter, especially those helping our Government to keep faithful to its promise to reduce carbon emissions and develop new technology to combat climate change. This organisation is continually challenging this Government's failure to fulfil their promises.'
- Another Sister takes every opportunity to raise awareness about the need for responsible use of resources in everyday life and for making ethical choices in investing money with a concern for both environmental protection and human well-being.

Summary From the preceding selections, it can be seen that the Sisters, wherever they are, engage as fully as age and health permit in religious and educational work in accord with the charity's aims and objectives. They are inspired by the Congregation's motto "do good to all, do harm to none" to make whatever contribution they can in the fields of faith, education and justice, to the benefit of a wide variety of people.

Financial review

A summary of the year's results can be found from pages 22-24 of the financial statements.

Income

For the accounting year 2022-2023, total income was £490,825 as against £395,842 for the previous year. This represents an increase of £94,983. Income from pensions and allowances for Sisters was roughly equivalent to their living expenses. A notable exception was the Community living at St Leonards where, with diminishing numbers and a sizable property estate to manage, a quota of £30,000 from the Delegation was needed in 2023. There were no substantial gifts made to the Delegation this year. Income from dividends increased from last year. The main reason for the increase in income relates to a fall in dividend income in the prior year, resulting from the investment market being adversely affected by Covid-19, the war in Ukraine and other issues around the world impacting the economy.

Expenditure

During the year, the charity incurred expenditure for maintaining the Sisters and enabling them to carry out their work amounting to £1,020,184 as against £936,686 in the previous year, an increase of £83,498. Following the sale of More House in 2021, the proceeds funded donations to other charities totaling £19,000,000. These donations were a one-off cost and are not expected to be replicated in future years. The year ended with a deficit of £379,360, as against £19,540,843 in the previous year.

Net Assets

The net assets for this year stand at £11,501,628 as against £12,563,656 in the previous year, a decrease of £1,062,028. Of these assets, £2,691,822 represent a capital fund consisting of properties owned and inhabited by the Sisters as fixed assets, along with a heritage asset. The other assets consist mainly of investments. At 31 August 2023, these investments amounted to £8,818,630, divided between a Growth Portfolio, a Retirement Portfolio and a Dowries Portfolio. Each of the two investment managers (Greenbank Investments and J M Finn) manages a Growth Portfolio, while J M Finn manages the Retirement and Dowries portfolios. This compares with £9,559,115 in the previous year.

Reserves policy

The charity's net assets stand at £11,501,628. Of these, £2,578,810 represents a capital fund consisting of properties lived in by the Sisters. The valuation of land and buildings represents the market value on 1st September 2014, following the introduction of Financial Reporting Standard 102. This valuation, updated from that of 1999 and from subsequent purchase prices, has considerably increased our net assets. However, as all properties are fully used for the charity's life and work, the policy on reserves remains as set out below.

The balance sheet shows reserves of £11,501,6528 as against £12,563,656 in the previous year. The sum is divided between (1) a Growth Portfolio of £7,046,338, used for the running costs of the charity, (2) a designated Retirement Portfolio of £1,056,220, used for the care of the elderly Sisters and for any other expenses relating to Sisters' medical or health care needs, (3) a Dowries and Inheritances Portfolio of £670,260, ring fenced to preserve the capital belonging to individual Sisters until their death. These reserves are essential for the reasons given below. However, only the Growth Portfolio is readily realisable, and it is the policy of the Trustees to maintain these free reserves at a level equivalent to 2 years' expenditure or approximately £3,015,000. Existing free reserves at the year-end amount to £7,046,338 and so are above this target; the Trustees will be monitoring this position with a view of investing excess reserves for future income generation as required.

It is necessary for the charity to maintain such high reserves for the following reasons:

The two Growth Portfolios are to meet operational costs: quotas paid to Sisters and the Generalate and to supplement or 'top up' the Retirement Portfolio. The funds are augmented by investment income. They need to be kept at a level whereby income from investments can cover running costs on a weekly basis. The need for these to provide a substantial amount of ready cash reflects our policy of caring for our elderly Sisters at St Leonards on Sea, which entails high costs in the provision of nursing and other care. We also need to meet the cost of care for the two Sisters in residential care in Scotland. For this to be possible the Growth Portfolios have to be substantial. They are kept at the required level by returns from investments which are rather higher than is the usual practice. The performance of the investment managers is monitored by regular meetings with the Trustees.

The Growth Portfolios are also necessarily large because the Trustees recognise the Delegation's commitment to contribute to the financial needs of the wider Congregation by paying a substantial annual contribution or 'quota' to the General Council, currently set at £50,000 (although if the charity were to find itself in financial difficulties the quota would be reduced or cancelled). In addition, we contribute annually to educational projects in line with our charitable aims, chosen annually by the Sisters themselves. We see this use of our resources as another way in which we can contribute to the general good.

The Retirement Portfolio exists primarily to meet the current and future healthcare costs of all the Sisters through to the end of their lives, a period of about forty years. The portfolio is augmented by investment income and from the pension and benefit income from Sisters living in nursing homes**.** As the duty of the Trustees is to ensure that each Sister is provided for in the way best suited to her needs until the time of her death, it is essential that the portfolio be maintained at the level required for up to the next forty years, something that obviously necessitates substantial reserves. It is supplemented as required from the Growth Portfolios which must therefore be sufficient to meet this need.

Both the Growth and Retirement funds are invested primarily in listed securities. Such securities offer cash liquidity, which is an important consideration for the charity's significant cash requirements related to the care of our elderly Sisters at St Leonards on Sea. The funds currently available should ensure that adequate financial resources exist to provide for the needs of the charity's members in both the short and the long term.

The Dowries and Inheritances Portfolio was created in 2017 to meet the liability that exists with regard to money brought to the charity by Sisters when they joined the Congregation, and to inheritances received after joining. This means that, if a Sister leaves the Congregation or when she dies, the monies concerned can be accessed readily and either returned to her (if she leaves) or else, after her death, released into the charity or passed on to her beneficiaries in accordance with the terms of her will. The charity is entitled to the income but not the capital of this fund during a Sister's lifetime. The Portfolio has, from time to time, required transfers to/from a Growth Portfolio.

The Dowries Portfolio invests only in low-risk gilts and cash, as its purpose is not to achieve a higher yield but simply to maintain its capital value.

Summary The substantial resources in the Growth and Retirement Portfolios should ensure that the charity can maintain itself, carrying out its obligations to its own members (Retirement Portfolio) and to its charitable aims for the public benefit (Growth Portfolios) for a sufficient length of time. Cash flow requirements and long-term planning make it important that capital should not be depleted until absolutely necessary.
Principal funding sources The two principal sources of income for the charity are the pensions and allowances received by individual Sisters and the interest and dividends from investments.
The Long Term Forecast. For the proposed re-examination of the assumptions underlying our financial strategy, see Plans for Future Periods.

Investment Performance
The Charity investment portfolios have been constructed to:
1. Ensure the medium and long-term viability of the charity (Growth Portfolios);
2. Meet the immediate living expenses and healthcare needs of the Sisters (Retirement Portfolio);
3. Match the potential liability of the Dowries and Inheritances Portfolio held by the charity on behalf of its members.
As of 31st August 2023 the value of funds under management was **£8,818,630**.

Each of the two investment managers manages a Growth Portfolio, while the Retirement and Dowries Portfolios are managed by J.M. Finn.
Performance, measured by total return, was disappointing. This was due in large part to our exclusion of fossil fuel investments and low exposure to technology stocks. Portfolio values were down 8% on 31st August 2022 values. Income across the two portfolio managers has held up, ranging from just under 1% to just over 4%.
The asset allocation for each of the three portfolio types, at the end of the year, is set out below:

	Dowries	Growth	Retirement
Fixed Interest & Cash	100%	17.33%	25.5%
Equities		68.87%	52%
Alternatives*		13.8%	22.5%

Alternatives* = investments providing exposure to alternative energy supplies, infrastructure, environmental and property types.

Major risks

The main risks identified for the year ending 31 August 2023 and the measures taken to mitigate them may be summarised as follows:

1. Governance. A risk to the charity lies in the decreasing number of Sisters capable of helping with governance. For the immediate future, some mitigating steps have been taken: the charity has engaged the services of more lay experts to assist it where its own expertise and energies are limited; most significantly, a part time Executive Director, appointed in October 2018, and a full-time Care Manager, appointed in 2020. The challenge remains to ensure viable governance when there are so few Sisters able to take leadership roles, including that of trustee. The future of the charity and of its assets has however been ensured by its CIO Constitution which allows for governance by the Congregation's General Council if and when the GB Delegation is unable to provide for it from its own members. More immediately, the Trustees are actively recruiting new members for the Board, with two likely to be appointed in the very near future. The inauguration last year of a new Finance Committee, supplemented by various permanent or ad hoc Working Groups has led to a greater opportunity for the Trustees to share the workload. The Trustees are aware that the smooth running of the charity depends in large part on a small number of administrative staff and that advance planning for succession needs to be undertaken.

2. Finance. Although there is no immediate risk to the charity's viability, some serious planning is being undertaken for the medium to long-term. Factors giving cause for concern include the current economic and political situation with the marked rise in the cost of living and the risks associated with climate change. Within the charity, the loss of income from pensions as Sisters die is becoming more marked and will continue to make an impact. The healthcare needs of the Sisters continue to increase with accompanying rise in costs, especially for staff at St Leonards which remain high even when the number of Sisters decreases. Major expenses are planned to improve the accommodation needs of the Sisters which will be only partially offset by the sale of redundant properties. A major reassessment of the Delegation's financial future is being undertaken by the Trustees as a matter of urgency.

3. Health care, The needs of the Sisters at St Leonards are very well met by the provision of nurses and carers within a Care in the Home system, overseen by the full-time Care Manager. The needs of the Sisters living elsewhere in the Delegation are monitored by the Care Manager who assesses their state of health, the suitability of their accommodation, their end of life wishes and so on. Where necessary, she assists with the making or updating of wills and the setting up of Powers of Attorney, the lack of which in many cases constitutes a risk. She keeps in touch with all the Sisters by telephone and email and by paying regular visits to each sister, ideally every six months.

4. Sponsorship Licensing. Stringent immigration laws make it difficult to obtain visas so that people from abroad, including religious Sisters, can participate in long term activities of the charity. In 2013, however, a Sponsorship Licence from the United Kingdom Visa and Immigration Agency (UKVI) was awarded for four years, enabling visas to be applied for annually (although with no guarantee that applications would be successful). The licence was successfully renewed in 2017 and 2021. The Licence is for Tier 2 (Ministers of Religion) and Tier 5 (Temporary Worker / Religious Worker). A recently identified risk is that the same person fills the roles of both Authorising Officer and Key Contact; this is noted as needing to be addressed. Meanwhile, the services of a specialist immigration solicitor are available for help and advice when needed.

5. Safeguarding. All Sisters and employees involved in activities connected with children or vulnerable adults have DBS checks in place. A named Sister acts as the Delegation's Safeguarding Lead and a Safeguarding Group, set up by the Trustees has been put in place. In 2013, the Delegation was aligned for safeguarding services with the Roman Catholic Diocese of Brentwood. This alignment has now been transferred to the Religious Life Safeguarding Service (RLSS). The Delegation has signed up to membership of both the RLSS and the Catholic Safeguarding Standards Agency (CSSA). The Trustees are aware that, although the charity has not been responsible for running schools for a number of years, the possibility of historic abuse claims being made against Sisters cannot be ruled out and this remains a risk, albeit a remote one. Efforts are being made to identify documentation from past insurance companies who would be responsible in the event of any compensation claims; this is however no easy matter. Current risks are being met by the updating of policies and procedures. These have highlighted the risk of internal bullying and harassment, especially where vulnerable elderly Sisters are involved.

6. Data sharing. Security risks in the sharing and storing of information have been addressed by improved online provision of dedicated email addresses and the best available anti-virus software. The charity engages the services of a specialist internet advisory company, JP2 IT. On two occasions where a data breach had been feared, this company did prompt checks and was able to give reassurance. Passwords were changed as a precaution. The computers of Trustees and main officers have been additionally protected by the installation of Bitlocker at start-up.

Plans for future periods

1. Use of Properties

a) St Leonards: Filsham Lodge and Alix Lodge

We will continue to research improvements to Alix Lodge with a view to accommodating all the Sisters and staff during the course of the next couple of years. From now on, only essential repairs will be done to Filsham Lodge. An updated valuation of the two properties will be provided by a qualified surveyor and some issues concerning boundary fences clarified.

b) London, Walthamstow: 35 Maude Terrace

We intend to pursue our plans for the upgrading and extending of the property in accordance with the plans described in Part 1 (above, pp. 7-8). It is hoped that any necessary planning permissions will be obtained early in 2024 and that construction work will then commence.

c) Cambridge: 58 St Matthew's Gardens

As soon as the construction work at Walthamstow is sufficiently far advanced, this property will be put on the market, ideally before the end of 2024.

2. Governance Issues

Although there is no immediate intention to change the status of the Delegation within the Congregation to that of a Group depending directly on the General Council, it is important from now on to ensure that the necessary elements of charity governance are in place. To this end, the Trustees aim to develop closer working relationships with members of the General Council so that the latter have a good understanding of e.g. English charity law and the actual situation of the Sisters within the Delegation. Efforts will be made during the next year to make progress in this area.

3. Revision of the Long Term Forecast (LTF)

The Trustees are mindful of their responsibility to review regularly how the charity operates and to ensure that its reserves are managed effectively with a view to long-term sustainability. To this end, during 2024, a thorough review will be undertaken, chiefly through a re-examination of the current Long Term Forecast. This is a tool used throughout the Congregation to model demographics and their financial implications for up to 25 years ahead, based on a number of assumptions. It is revised every two years. Although the 2021 LTF was revised in 2023, it was clear that some of the assumptions needed to be re-examined and the forecasting adjusted.

Structure, governance and management

The Charity is a charitable incorporated organisation.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Sr J V Langford	
Sr M Robin	
Sr L M Teer	(Appointed 26 October 2023)
Sr C E Brown	
Sr J Dines	
Mr T Haigh	
Mr R Verley	
Ms J Bourne	(Appointed 15 November 2023)

1. In terms of Canon Law, the Congregation is governed at international level by an elected Superior General and Council in accordance with the Congregation's own Constitutions. These were written in 1640, updated in 1984, and approved both times by the Vatican. The Congregation is organised in a number of broad geographic regions known as Vicariates (with their own governance structure) or, when numbers have diminished, as Delegations (depending more directly on the General Council). The UK has been a Delegation since 2016 (having been set up as a Vicariate in 1950). The Delegation is governed by a Delegate, appointed by, and answerable to, the Superior General. All the Sisters in the Delegation are welcome to discuss important issues and their opinions are taken into account. Associates are welcomed at meetings as non-voting members.

2. In terms of civil law, the Delegation (previously the Vicariate) was first governed as a registered charity by a Trust Deed dated October 1962, together with a Scheme dated June 1997; it was registered under the Charities Act 2011 as No. 229051. In March 2016 an application was made to the Charity Commission to become a Charitable Incorporated Organisation (CIO). The application was granted on 5th April 2016, and from that date the CIO Constitution became the charity's governing document, replacing the 1962 Trust Deed. A new charity number, 1166361, was assigned. The change-over became effective on 1st September 2016. Overall responsibility lies with the Delegate (appointed by the Superior General) who, as the sole member, appoints the Trustees. The Trustees are helped by a Bursar and an Executive Director, both appointed in 2018, and a Care Manager, appointed in 2020.

3. The Trustees who served during the year, consisted of the Delegate, three other members of the Delegation and two lay Trustees, one of whom is the General Council's Finance Director. The Executive Director is responsible for the day-to-day running of the charity and is the line-manager for all employees. Throughout the accounting year, the Trustees worked closely with the Executive Director, the Bursar, the Care Manager and various professional advisors. Formal meetings were supplemented by email and telephone contact. From March 2020 onwards, all meetings have been via Zoom or Microsoft Teams. New Trustees are appointed in accordance with the Constitution and are selected from persons with relevant charity experience and skills. On appointment, new Trustees are made aware of their responsibilities and are provided with background information on the charity and its objectives. Further training may be provided.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.

Sr J Dines
Trustee

3 May 2024

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

Opinion

We have audited the financial statements of Congregation of Our Lady Canonesses of St Augustine CIO (the 'Charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities 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 financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the charity and its activities, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, Data Protection Act, GDPR, and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, being FRS 102 and Charities SORP (FRS 102) (effective January 2019). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgemental areas of the financial statements.

Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management;
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations;
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations;
- Assessment of identified fraud risk factors;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud;
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business;
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

Michelle Buzzard FCA (Senior Statutory Auditor)
for and on behalf of James Todd & Co Limited 7 May 2024

Chartered Accountants
Statutory Auditor

Drayton House
Drayton Lane
Chichester
West Sussex
PO20 2EW

James Todd & Co Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Income and endowments from:							
Donations and legacies	**3**	198,421	-	198,421	199,846	-	199,846
Charitable activities	**4**	9,825	-	9,825	8,808	-	8,808
Investments	**5**	200,671	74,903	275,574	109,815	72,025	181,840
Other income	**6**	7,005	-	7,005	5,348	-	5,348
Total income		415,922	74,903	490,825	323,817	72,025	395,842
Expenditure on:							
Raising funds	**7**	36,516	9,666	46,182	26,320	10,426	36,746
Charitable activities	**8**	681,737	292,265	974,002	544,376	19,355,564	19,899,940
Total expenditure		718,253	301,931	1,020,184	570,696	19,365,990	19,936,686
Net losses on investments	**13**	(475,245)	(207,423)	(682,668)	(191,694)	(83,896)	(275,590)
Net expenditure		(302,331)	(227,028)	(529,359)	(246,879)	(19,293,965)	(19,540,844)
Transfers between funds		-	-	-	(719,552)	719,552	-
Other recognised gains and losses:							
Revaluation of tangible fixed assets		-	150,000	150,000	-	-	-
Net movement in funds		(302,331)	(77,028)	(379,359)	(966,431)	(18,574,413)	(19,540,844)
Reconciliation of funds:							
Fund balances at 1 September 2022		7,823,914	4,739,741	12,563,655	8,982,039	23,398,050	32,380,089
Fund balances at 31 August 2023		7,046,338	4,455,290	11,501,628	7,823,914	4,739,741	12,563,655

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**15**		2,293,974		2,329,378
Heritage assets	**16**		400,000		250,000
Investments	**17**		8,818,630		9,559,115
			11,512,604		12,138,493
Current assets					
Debtors	**18**	13,029		10,225	
Cash at bank and in hand		1,111,665		1,633,774	
		1,124,694		1,643,999	
Creditors: amounts falling due within one year	**19**	465,410		498,650	
Net current assets			659,284		1,145,349
Total assets less current liabilities			12,171,888		13,283,842
Creditors: amounts falling due after more than one year	**20**		(670,260)		(720,187)
Net assets			11,501,628		12,563,655
The funds of the Charity					
Unrestricted funds - general			7,046,338		7,823,914
Unrestricted funds - designated	**22**		4,455,290		4,739,741
			11,501,628		12,563,655

The financial statements were approved by the Trustees on 3 May 2024

Sr J Dines
Trustee

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	**27**		(859,815)		(19,240,552)
Investing activities					
Purchase of tangible fixed assets		(2,684)		(36,353)	
Proceeds from disposal of tangible fixed assets		7,000		-	
Purchase of investments		(2,349,066)		(5,412,908)	
Proceeds from disposal of investments		2,406,882		1,454,621	
Investment income received		275,574		181,840	
Net cash generated from/(used in) investing activities			337,706		(3,812,800)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(522,109)		(23,053,352)
Cash and cash equivalents at beginning of year			1,633,774		24,687,126
Cash and cash equivalents at end of year			1,111,665		1,633,774

1 Accounting policies

Charity information

Congregation of Our Lady, Canonesses of St Augustine CIO is a Charitable Incorporated Organisation governed by a constitution dated 5 April 2016. It is registered with the Charities Commission under charity number 1166361. The registered office is the Delegation Office, 35 Maude Terrace, London, E17 7DG.

The CIO was set up to take over the activities of the previously unincorporated trust from 1 September 2016. That charity was previously registered with the Charity Commission under charity number 229051 under the name of The Congregation of Our Lady Canonesses of St Augustine, and was governed by a trust deed dated October 1962 and a scheme dated June 1997.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's constitution, the Charities Act 2011, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services and facilities are included at the value to the charity where this can be quantified.

Investment income is dividends and interest generated by the charity's share portfolios, as well as bank interest, and is recogniseed in the SoFA when receivable.

1.5 Expenditure

All expenditure is incurred in pursuit of the charity's objects as laid down in the constitution and is recognised in the accounts when payable. It includes irrecoverable VAT.

The costs of raising funds includes the fees paid to investment managers in respect of the management of the charity's investment portfolios.

Charitable expenditure comprises that related to running the Religious Communities and includes staff costs attributable to the activity. It includes both direct costs and support costs relating to such activities.

Support costs, including governance costs, are those functions that assist the deliverance of the charitable activities. Governance costs comprise expenditure for advice on constitutional and statutory matters and costs of compliance. Support costs wholly relate to the charitable activity of running the Religious Communities and so have been allocated wholly to that activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Fixtures, fittings and equipment	20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Freehold land, representing approximately one third of the deemed cost, and assets in the course of construction, are not depreciated.

Tangible fixed assets are capitalised if they can be used for more than 1 year and cost more than £5,000.

1.7 Heritage assets

Heritage assets are included in the accounts under the revaluation method, based on the most recent valuation obtained. The valuation us based on the best estimate by competent professionals, although consideration should be given for the uniqueness and inherent difficulty in valuing such items.

1 Accounting policies **(Continued)**

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income or expenditure for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Legacies and dowries

Legacies and dowries are capital amounts held on behalf of individual Sisters during their lifetimes and are distributed in accordance with their wishes on death. The figure included in calculated as its historical cost when the Sisters joined, and is not re-measured to fair value at the year-end date. The Trustees believe this is to be the most appropriate policy due to uncertain timing of their deaths and their wishes. As a consequence, the Trustees do not consider that the large expenses needed in order to calculate the figure is justified. This is in accordance with the policy on estimates in Note 2.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	7,335	5,452
Salaries	25,773	15,705
Pensions	165,313	178,689
	198,421	199,846

4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income		
Other income	9,825	8,808

5 Income from investments

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Income from listed investments	171,602	72,045	243,647	99,599	72,025	171,624
Interest receivable	29,069	2,858	31,927	10,216	-	10,216
	200,671	74,903	275,574	109,815	72,025	181,840

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	7,000	-
Other income	5	5,348
	5	5,348

7 Expenditure on raising funds

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Investment management	36,516	9,666	46,182	26,320	10,426	36,746

8 Expenditure on charitable activities

	Community running expenses 2023	Community running expenses 2022	Delegation 2022	Total 2022
	£	£	£	£
Direct costs				
Staff costs	279,671	292,331	-	292,331
Depreciation and impairment	38,089	37,576	-	37,576
Community and personal	396,273	365,193	-	365,193
Donations	38,966	33,123	-	33,123
Premises costs	124,960	96,834	-	96,834
	877,959	825,057	-	825,057
Grant funding of activities (see note 9)	-	-	19,000,000	19,000,000
Share of support and governance costs (see note 10)				
Support	78,805	57,289	-	57,289
Governance	17,238	17,594	-	17,594
	974,002	899,940	19,000,000	19,899,940
Analysis by fund				
Unrestricted funds - general	681,737	544,376	-	544,376
Unrestricted funds - designated	292,265	355,564	19,000,000	19,355,564
	974,002	899,940	19,000,000	19,899,940

9 Grants paid and payable

	Delegation 2023 £
-	

For the year ended 31 August 2022

	Delegation 2022 £
Grants to institutions (9 grants):	
The Caisse Commune	16,000,000
Bega Kwa Bega Uganda	1,062,750
Margaret Beaufort Institute of Theology	1,000,000
Centre for Alternative Technology	500,000
More House School	300,000
Depaul International	50,000
The Bakhita Centre for Research on Slavery, Exploitation and Abuse	40,000
The Medialle Trust	34,000
Other	13,250
	19,000,000

10 Support costs allocated to activities

	2023	2022
	£	£
Support staff costs	33,127	-
Professional fees	16,440	4,902
Office expenses	11,262	11,145
Rent	6,000	6,000
Health and safety - fire risk assessment	8,061	32,894
Safeguarding	3,915	2,348
Governance costs	17,238	17,594
	96,043	74,883
Analysed between:		
Community running expenses	96,043	74,883

Governance costs comprise:	2023 £	2022 £
Audit fees	5,260	3,745
Accountancy	3,500	8,059
Delegation expenses	8,478	5,790
	17,238	17,594

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year in respect of their services. No trustees received reimbursement for travelling expenses in the year (2022: £Nil).

The total aggregate donations received by the charity during the year from the 3 religious trustees, comprising of small gifts, donated pensions and salary income, was £47,382 (2022: 4 Trustees £43,965).

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	4	3
Care staff and other	13	14
Total	17	17

Employment costs	**2023 £**	**2022 £**
Wages and salaries	282,040	263,509
Social security	20,517	18,734
Other pension	10,241	10,088
	312,798	292,331

As part of its operations, the charity has an obligation to care for the Sisters in their old age. Should there be any periods where additional care staff are required, the charity engages agency staff via reputable agencies. The agency staff used have the relevant skills and abilities required so as to maintain the charity's high standards. These individuals are employed by the agencies, who retain all the responsibilities and requirements associated with employment. These include, but are not limited to, remuneration packages, disciplinary procedures, holiday entitlements and employment law considerations. The total costs for agency staff during the year was £124,988 (2022: £95,079).

Total amounts paid to Key Management Personnel during the year were £128,933 (2022: £129,312).

During the year no redundancy payments (2022: £Nil) were paid to former employees.

There were no employees whose annual remuneration was more than £60,000.

13 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Revaluation of investments	(426,853)	(184,137)	(610,990)	(202,559)	(89,397)	(291,956)
Sale of investments	(48,392)	(23,286)	(71,678)	10,865	5,501	16,366
	(475,245)	(207,423)	(682,668)	(191,694)	(83,896)	(275,590)

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2022	2,606,939	276,284	27,277	2,910,500
Additions	-	2,684	-	2,684
Disposals	-	(273,338)	(19,159)	(292,497)
At 31 August 2023	2,606,939	5,630	8,118	2,620,687
Depreciation and impairment				
At 1 September 2022	278,129	275,716	27,277	581,122
Depreciation charged in the year	36,987	1,101	-	38,088
Eliminated in respect of disposals	-	(273,338)	(19,159)	(292,497)
At 31 August 2023	315,116	3,479	8,118	326,713
Carrying amount				
At 31 August 2023	2,291,823	2,151	-	2,293,974
At 31 August 2022	2,328,810	568	-	2,329,378

The carrying value of land included in land and buildings comprises:

	2023	2022
	£	£
Freehold	1,370,575	757,581

15 Tangible fixed assets **(Continued)**

The freehold properties were valued to fair value at the transition date of 1 September 2014 as part of the transition to FRS102 and this valuation has been incorporated into the accounts as the deemed cost. Approximately one third of this deemed cost represents the land which is not depreciated.

The valuation of the individual houses was carried out by Mr Ayaz Siddiqui on 27 March 2017, based on the Land Registry average house prices index which put the properties at a fair value, based on vacant possession, of £2,923,118.

More House was sold in 2021 for £24,800,000.

The properties were previously valued in 1999 at the value estimated by the trustees, plus the cost of subsequent additions, being £6,216,559. As a result of the revaluation to fair value, designated fund reserves at 1 September 2014 increased by £26,760,560.

Fixtures and fittings are included at the Trustees' estimate in 1999 of their replacement values for insurance purposes, plus the cost of any subsequent additions.

16 Heritage assets

	Alabaster carving £
At 1 September 2022	250,000
Revaluation	150,000
At 31 August 2023	400,000

An Alabaster carving, of great historical significance, was held in the Chapel in More House, and has now been moved to the Norwich Castle Museum. Christies Auctioneers valued the carving at £400,000 in July 2023. The value of the carving, both financial and historical, has been established, and by lending this item to a museum, that its significance may be understood and appreciated by the public. As such, the Trustees consider that it is now appropriate to recognise this as a heritage asset. The Trustees believe the valuation of £400,000 was appropriate at the year-end.

17 Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 September 2022	9,529,115	30,000	9,559,115
Additions	2,349,066	-	2,349,066
Valuation changes	(610,990)	-	(610,990)
Cash account transactions	(321,825)	-	(321,825)
Disposals	(2,156,736)	-	(2,156,736)
At 31 August 2023	8,788,630	30,000	8,818,630
Carrying amount			
At 31 August 2023	8,788,630	30,000	8,818,630
At 31 August 2022	9,529,115	30,000	9,559,115

	2023	2022
	£	£
Listed investments historical cost	9,154,940	9,134,902

Included above are £104,793 (2022: £426,618) held by the investment managers for re-investment.

18 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Prepayments and accrued income	13,029	10,225

19 Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	465,410	498,650

20 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Other creditors	670,260	720,187

20 Creditors: amounts falling due after more than one year (Continued)

Other creditors represent legacies and dowries which are capital amounts held on behalf of the individual Sisters during their lifetimes and are distributed in accordance with their wishes on death.

21 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £10,241 (2022 - £10,088).

22 Unrestricted funds - designated

These are unrestricted funds which are material to the Charity's activities.

	At 1 September 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2023
	£	£	£	£	£	£
Transfers	-	-	-	-	150,000	150,000
Capital fund	2,578,810	-	-	-	-	2,578,810
Retirement fund	1,440,744	74,903	(252,004)	-	(207,423)	1,056,220
Dowries and inheritances fund	720,187	-	(49,927)	-	-	670,260
	4,739,741	74,903	(301,931)	-	(57,423)	4,455,290

Previous year:	At 1 September 2021	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2022
	£	£	£	£	£	£
Capital fund	2,579,445	-	-	(635)	-	2,578,810
Retirement fund	1,818,605	72,025	(365,990)	-	(83,896)	1,440,744
Sale of More House funds	19,000,000	-	(19,000,000)	-	-	-
Dowries and inheritances fund	-	-	-	720,187	-	720,187
	23,398,050	72,025	(19,365,990)	719,552	(83,896)	4,739,741

22 Unrestricted funds - designated **(Continued)**

The Capital fund represents the accumulated value of the properties held at the year-end. Transfers during the year represent additions, disposals and depreciation charges.

The Retirement fund represents monies set aside for the Sisters' retirement and to cover their medical and nursing needs. The fund is represented by investments and cash, and the investment managers' costs are charged against the fund. Transfers during the year represent movements from the unrestricted fund to increase the Retirement Fund balance after investments were sold to release liquid reserves for the continuing care of the Sisters.

The Dowries and inheritances fund represents monies set aside to preserve the capital belonging to individual Sisters until their death.

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2023
	£	£	£	£	£	£
General funds	7,823,914	415,922	(718,253)	-	(475,245)	7,046,338

Previous year:	At 1 September 2021	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2022
	£	£	£	£	£	£
General funds	8,982,039	323,817	(570,696)	(719,552)	(191,694)	7,823,914

24 Analysis of net assets between funds

	Unrestricted funds general 2023	Unrestricted funds designated 2023	Total 2023
	£	£	£
Fund balances at 31 August 2023 are represented by:			
Tangible assets	2,150	2,291,824	2,293,974
Heritage assets	-	400,000	400,000
Investments	6,235,737	2,582,893	8,818,630
Current assets/(liabilities)	808,451	(149,167)	659,284
Long term liabilities	-	(670,260)	(670,260)
	7,046,338	4,455,290	11,501,628

24 Analysis of net assets between funds **(Continued)**

	Unrestricted funds general 2022	Unrestricted funds designated 2022	Total 2022
	£	£	£
Fund balances at 31 August 2022 are represented by:			
Tangible assets	569	2,328,809	2,329,378
Heritage assets	-	250,000	250,000
Investments	6,704,826	2,854,289	9,559,115
Current assets/(liabilities)	1,118,519	26,830	1,145,349
Long term liabilities	-	(720,187)	(720,187)
	7,823,914	4,739,741	12,563,655

25 Financial commitments, guarantees and contingent liabilities

The Charity is committed to the care of the Sisters in their old age, and to provide for their future medical and nursing needs. The cost of this provision cannot be measured with any sufficient accuracy but is estimated to be at least £4 million based upon the present cost of nursing at today's prices, discounted over 20 years at an interest rate of 10%. The Trustees have set aside funds in a designated Retirement fund to cater for this eventuality and these funds are represented by investments and cash.

26 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

27 Cash generated from operations	2023	2022
	£	£
Deficit for the year	(1,212,027)	(19,816,434)
Adjustments for:		
Investment income recognised in statement of financial activities	(275,574)	(181,840)
Gain on disposal of tangible fixed assets	(7,000)	-
Loss/(gain) on disposal of investments	71,678	(16,366)
Fair value gains and losses on investments	610,990	291,956
Depreciation and impairment of tangible fixed assets	38,089	37,576
Movements in working capital:		
(Increase)/decrease in debtors	(2,804)	1,683
(Decrease)/increase in creditors	(83,167)	442,873
Cash absorbed by operations	(859,815)	(19,240,552)

28 Analysis of changes in net funds

The Charity had no material debt during the year.

CONGREGATION OF OUR LADY, CANONESSES OF ST. AUGUSTINE CIO

England & Wales - Charity number 1166361

Accounts

Charity Registration No. 1166361

CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

Do good to all
Do harm to none

Plummer Parsons

CHARTERED ACCOUNTANTS & STATUTORY AUDITOR

CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

CONTENTS

	Page
Trustees' report	1 - 14
Independent auditor's report	15 - 18
Statement of financial activities	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 - 35

CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their report and accounts for the year ended 31 August 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and the Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

PART 1 OBJECTIVES AND ACTIVITIES

Who we are
The Congregation of Our Lady, Canonesses of St Augustine is an international Roman Catholic religious order, founded in Lorraine (now part of France) in 1597. According to our founders, our aim is to "do good to all and harm to none" (Saint Peter Fourier) and "to do all the good possible" (Blessed Alix Le Clerc). At the beginning, this was to be done especially by opening schools and providing free education for girls, "both rich and poor alike." Nowadays, we dedicate ourselves to the work of education and human development in all its aspects. We have a preference for helping those in greatest educational need, and we place particular emphasis on addressing the causes of poverty and injustice. We currently number a little over 350 sisters and about 250 Associates (members of the Congregation who support its work and ethos but do not make vows) in Africa, Asia, South and Central America, and Europe. Sisters first came to Britain from France in the early twentieth century. At the end of the accounting year, we were 17 sisters in Britain, aged between 59 and 101 living in different parts of England and Scotland. There were also 18 Associates living in England, Ireland, Scotland and Africa.

Summary of our Objectives according to our Governing Documents
According to the Congregation's charitable incorporation document ('the CIO Constitution'), dated April 5th, 2016, the general objective of the charity is '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 Delegate shall from time-to-time think fit."

The Constitutions proper to the Congregation ('the Constitutions'), written in 1640 and revised in 1984, make this clear: "*whatever our work, ... our desire as religious and educators is to promote the development and growth of the whole person and to make our contribution to the recognition of each person's dignity* (#5)." The Constitutions also insist that human development cannot happen without the promotion of human rights and other aspects of social justice, and this too is reflected in our objectives. The advanced age of most of the sisters means that our contributions are mainly voluntary, and often of modest scope, but they are many and various, according to each one's abilities, in the spirit of our Constitutions: "*We all take part in this mission, whatever our age, our state of health or our abilities* (#6)."

Aims and public benefit of the Charity
The range of both individual and communal contributions to the charity's aims and objectives, and the impact these have had on a variety of people, are set out in Part 2 of this Report, "Achievements and Performance."

In making their assessment of the charity's public benefit, the trustees have taken full cognizance of the guidelines provided by the Charity Commission.

Our main strategies and objectives for the accounting year 2021-2022
Our assets exist, in both the short and the long term, to provide adequate material provision for each sister to fulfil her particular educational mission and her religious commitment until the very end of her life. Our primary objective, therefore, is to ensure that the charity remains viable and active through good governance and good financial management in line with the Social Teaching of the Roman Catholic Church.

A. **Our main strategies have been**:

1. Promoting the development and growth of the whole person in accordance with the Congregation's motto to "do good to all" and making our contribution to the recognition of each person's dignity.
2. Further improving the care and support provided for all our sisters, whether living at St. Leonards on Sea, East Sussex, or elsewhere.
3. Making final decisions about disbursing the proceeds of the sale of the More House Hall of Residence, effected in July 2021.
4. Working with our investment managers to ensure that funds are invested ethically in line with Catholic Social Teaching.

5. Showing financial solidarity with the Congregation and contributing to other educational projects.
6. Improving and streamlining governance.

Specific objectives have been:

1. To complete the allocation of grants from the More House sale proceeds
2. To undertake due diligence on the recipients of the grants.
3. To make provision for the loan of a religious artefact from More House.
4. To review the remit and composition of the Finance and Administration Committee.
5. To bring the charity in line with safeguarding developments in the Catholic Church in England and Wales.
6. To monitor and improve health and safety standards, especially at St Leonards on Sea..

The steps taken to achieve these strategies and objectives were as follows:

A. Achieving our main Strategies

1. "To do good to all." By careful monitoring of the sisters' living conditions and financial situations, the trustees have ensured that, whether living in the same house, or alone, the sisters have been able to engage as fully as age and health permit in religious and educational work for the benefit of a wide variety of people and needs, as set out in Part 2 of this Report.

2. Care of the Sisters
The trustees remain committed to the provision of 24-hour care for the elderly and infirm sisters at St Leonards on Sea, East Sussex, thus enabling them to stay together rather than be dispersed in care and nursing homes. Further steps have been taken to stabilize the workforce so as to reduce the reliance on agency staff. The physical condition of the sisters living in Alix Lodge has been improved: the kitchen and laundry facilities have been updated to provide a clean, attractive and, most importantly, a safe environment for those who live and work there. A fire risk assessment was undertaken for both Alix Lodge and Filsham Lodge, with a schedule of works planned for the next financial year. Safeguarding responsibilities are taken seriously (as set out in more detail in section 6 of this report); under the leadership of the Care Manager, all DBS checks for staff and workers (new and existing) are in place. Further work and a policy review to ensure that a 'best in class' standard is achieved, are planned for 2022-2023.
The healthcare needs of the sisters living elsewhere are also being taken in hand by the Care Manager through personal contact and regular visits.

3. Use and disbursement of More House monies In July 2021, More House was sold for £24,800,000 (twenty-four million, eight hundred thousand pounds). Upon completion of the sale, the balance was paid into the Delegation's General Fund at Lloyds Bank (a ten per cent deposit had already been paid in March 2021). It did not prove feasible to arrange for short term investment while the distribution of the money was still being decided. It was of considerable concern to the trustees that, although secure, this very large sum of money was not increasing in value; rather, because of inflation, it was decreasing. In October 2021, after thorough discussion, the following decisions were reached:

(i) £16 million would be granted to the Congregation's central fund, the Caisse Commune, which exists for the financing of the Congregation's educational projects worldwide and for the support of communities where needed. A detailed proposal was requested and received from the Caisse Commune, setting out its intention to use the money to fund a programme of specific projects, which were in alignment with our charitable objectives. These projects, amounting to £16 million, are to be administered centrally by the Congregation in Paris, After discussion, due diligence checks and agreement by the Board of Trustees, the £16 million allocated was transferred in October 2021, to be used with immediate effect for the designated projects. A receipt has been received and reports on the way the money is used will be provided to the trustees annually.
This substantial grant is in line with our religious policy regarding the sharing of assets (the Vow of Poverty), which acknowledges that, in principle, all financial assets belong to the Congregation as a whole (cf., CSA *Constitutions* 35). Local needs must first be fully secured but, once this goal has been achieved, any surplus funds should be made available to the Congregation, provided this is permitted by civil and charity law. In our case, the charity's objective is to advance 'the religious and other charitable work of the Congregation,' thereby allowing for this use
of the charity's assets (CIO *Constitution 3*). The trustees acknowledge this policy as an essential way of contributing to the common good worldwide.

(ii) £3 million would be set aside for the Delegation to give as grants to organisations sharing our educational

charism, proposed by the sisters and authorised by the trustees. These grants would function as a kind of 'legacy' of our life and work in More House, as well as contributing to public benefit. Once this sum has been fully allocated, no further grants are to be made (i.e., the charity will not set itself up as a grant-making body, as this would put too great a burden of management on its diminishing human resources). Once due diligence had been completed for each recipient, the designated sum would be paid in an approved manner. By the end of the accounting year, almost all the money had been paid out (see below, 'Objectives' 1 for details).

(iii) the remainder of the funds, after expenses, was to be retained by the Charity and added to its reserves. Of this, £4 million was to be invested for the future needs of the Delegation.

4 Investment Management

Our aim is to achieve a balanced return on investments between capital growth and income at low to medium risk (avoiding hedge funds and other high-risk ventures), excluding investments that run counter to our ethical convictions and increasingly favouring impact investments in line with Catholic Social Teaching, in particular the impetus given by Pope Francis' encyclical *Laudato Si'* on 'Care for our Common Home.' This means that we wish to move beyond negative screening and to seek out opportunities across asset classes that provide financial returns while creating measurable, positive social and environmental outcomes in the service of people and planet. In this perspective, the trustees have continued to interact with the fund manager, J.M. Finn, in seeking to prioritise companies that are trying to bring about improvements in society and the environment, e.g. by developing new kinds of 'green' energy. The charity divested from fossil fuels in February 2020.

The trustees had for some time been considering the advantages of engaging an additional investment manager. This was not because of any dissatisfaction with the existing one, but for the following reasons:

i) It would help to establish a benchmark for evaluating performance
ii) It would reduce risks incurred by having all our holdings in one place
iii) It would allow us to diversify our holdings with a wider range of opportunities
iv) In particular, it would allow a more complete commitment to responsible investing.

The necessity to invest the £4 million of More House money destined for the use of the Delegation provided the opportunity for making this appointment. During November 2021, four companies with a special emphasis on ethical investing were selected and invited to make presentations to the trustees. In December 2021, after thorough evaluation, the trustees appointed Rathbone Greenbank Investments – which describes itself as "dedicated to ethical and sustainable investment" - to open a new portfolio to manage the £4 million, with agreed criteria.
Performance of all portfolios is monitored by the trustees. Both they and the investment managers pay due regard to the strategies and objectives of the charity and ensure that the charity remains financially viable and able to meet all its financial obligations.

5. Engaging in Financial Solidarity

We have continued to support our sisters worldwide as well as contributing to several other organisations which share our educational vision, as follows:

i) As in previous years, we allocated £50,000 to the General Council of the Congregation. This annual payment is to help the General Council carry out its mandate of coordinating the life and work of the Congregation worldwide. A receipt, as always, was received. An account of how the General Council spends the money it receives from the various parts of the Congregation was provided during a General Chapter in Rome in January 2022 at which the Delegate and another of the trustees were present.

ii) The Delegation receives appeals from various national and international projects. Appeals to the Delegation must fulfil certain criteria, such as being primarily educational in purpose, and of modest scope. An Appeals Committee of sisters looks at applications received during the year and makes proposals at the annual Delegation Meeting, held this year both in-person and online in August 2022. The sisters then agreed to divide the allocated sum of £19,000 from Delegation resources as follows:

a) £3,550 to the Karenni Student Development Programme (young ethnic people forced from their homes by the Myanmar regime and in need of help with tertiary education).

b) £5,000 to Congo Prisoners (supporting some of the sisters in the Democratic Republic of the Congo in their provision of food and legal services to prisoners who would otherwise struggle to survive).

c) £7,000 to Bega kwa Bega (Swahili for "Shoulder to Shoulder"), a Ugandan charity founded by an old pupil of the school once run by the sisters. Administered entirely by Ugandans, it supports some of the many million orphans in that country through projects covering children's rights, water, health, agriculture, various means of income generation and, most recently, the founding of a model children's play centre and primary school. This allocation is unconnected to the separate grant made from the More House 'legacy' fund (see below, 'Objectives' 1,i); it has however been slightly reduced this year, in view of the very substantial More House grant.

d) £1,000 to the Shri Bhagawati Lower Secondary School in Nepal, a project in a remote and poor area which continues to make good progress.

e) £2,450 to the Asociacion Hogar Nazareth in Honduras. This is a project which trains volunteers to help meet the educational needs of street children. Our contribution will fund two volunteers over the course of one year.

In all cases, the overseas donations are carefully tracked by means of receipts and written reports.
NB. All the grants will be paid in the next financial year, 2022-23.

B. Meeting Specific Objectives

1. To complete the disbursement of grants to the value of £3 million from the More House proceeds. The sisters, meeting among themselves, continued to select the organisations they wished to support and to indicate how much might be granted to each. They then passed their recommendations to the trustees. In all cases, the trustees approved the sisters' choices.

   By the end of August 2022, the following amounts had been released:
   - i) To the Ugandan charity Bega kwa Bega (see above, §6,ii,c), £1,063,390 to fund the provision of a) boarding facilities in that charity's model school and b) a country-wide mobile teacher-training initiative in rural areas.
   - ii) To the Margaret Beaufort Institute of Theology, Cambridge, £1,000,000. This is to help the Institute, which promotes initiatives in pastoral theology for - mainly, though not exclusively - Roman Catholic women, to put its finances on a secure basis and to endow bursaries and scholarships.
   - iii) To the More House School, Knightsbridge, £300,000. This is a contribution to the school's Bursary Fund which exists to help pay the fees of children from disadvantaged backgrounds. The school was started in More House itself by the Congregation in 1952 and it retained the name when it moved out in 1971 as an independent institution.
   - iv) To the St Pierre & Alix Life Skills College, Naddangira, Uganda, £12,307 to contribute to the costs of building a multi-functional hall and establishing an organic piggery.
   - v) To Depaul International, £50,000 for emergency aid in Ukraine, including educational needs.
   - vi) To the Bakhita Centre, St Mary's University, Twickenham, £40,000 to help fund, for three years, a new initiative, 'Horizon Summer Schools,' for survivors of human trafficking.
   - vii) To the Medaille Trust, £34,000 to fund educational activities for about 30 survivors of trafficking over two and a half years.
   - viii) To the Centre for Alternative Technology, Machynlleth, Powys, £500,000, to fund two educational posts for the next three years, and to help with the reconstruction of The Straw Bale Theatre.

2. To undertake due diligence on the recipients of the grants. This was carried out rigorously by the Executive Director and a sub-group of three of the trustees. Individually tailored contracts were drawn up with help from lawyers at the firm of Stone King. By the end of the current financial year, all the monies had been released, with the exception of just under half of the sum allocated to the Margaret Beaufort Institute of Theology (£440,650), pending a revised sustainability plan, made necessary by changes in policy resulting from the pandemic; it is expected at the beginning of the next financial year.
   A small balance of £303 remains to be allocated. The sisters are in process of choosing a beneficiary.

3. To arrange for the loan of an artefact from More House. A pre-Reformation alabaster panel of the Assumption of the Virgin was given to the sisters in 1945. It was brought with them to More House in 1950 and installed in the chapel there. Because of its intrinsic religious and historical importance, it was decided not to send it to France with other objects of archival interest, to be kept in the Congregation's central archive, nor to sell it at

auction, but to loan it to a museum so that it could be freely appreciated by the general public. Descendants of the original donor were contacted and had no objections. It is currently in secure storage while a contract is being drawn up with the Castle Museum, Norwich. It is hoped that it will go on display some time in 2023, when the Museum's refurbishment of its medieval galleries is complete.

4. <u>To review the status and function of the Finance and Advisory Committee (FAC).</u>
This sub-group of the Board was set up in September 2017, with Terms of Reference agreed in February 2018 and revised in May 2019. It met frequently, both before and after Board Meetings, until the period of discernment prior to the marketing and sale of More House. From then on, the Committee had not found time to meet (its members were largely composed of trustees who now had many extra calls on their time). It was agreed to suspend the Committee, its work being absorbed into Board meetings; these were more frequent than usual at this time. Once the sale had been effected, the trustees were able to pick up other business, including the role and constitution of the FAC. After detailed discussion, new Terms of Reference were drawn up, approved by the Board on June 22nd, 2022. The main elements are as follows:
   i) The committee will now be called 'The Finance Committee'
   ii) Its focus will be on specifically financial matters, particularly the preparation of the annual budget and the monitoring of investments, with particular emphasis on impact investing. It will give early warning to the Board of any financial risks and make appropriate recommendations for meeting them. It will provide support for members of the Delegation on financial issues as required.
   iii) Meetings will be only as required (previously, they were to both precede and follow Board meetings)
   iv) Expert advice and technical help will be obtained where necessary.
   v) The Committee's tasks are:
      a) To act always in the best interest of the Charity in all financial and related matters.
      b) To draw up the annual budget and the quarterly financial statements for approval by the Board.
      c) To propose financial strategies, measures and actions for consideration by the Board.
      d) To ensure the smooth running of the day-to-day financial affairs of the Delegation.

   It is hoped that this slimmed-down version of the FAC, with its emphasis on specifically financial issues will prove more effective and also reduce the burden on the trustees and Delegation officers who inevitably form most of the membership. The other tasks designated in the earlier Terms of Reference – including oversight of human resources, IT, property management, legal matters, data protection, risk management – either come under the remit of the Delegation's Executive Director or will be the responsibility of specially designated small working groups, set up by, and reporting to, the Board.
   The committee has yet to be put into operation and will be further reported on next year.
   The continuation of existing small working-groups and the forming of new ones is a step towards improving governance by spreading responsibilities amongst trustees and, potentially, of bringing in additional people for specific area of work.

5. <u>To make governance more effective.</u> Two improvements have been introduced:
   i) By creating small sub-groups of trustees for specific areas, work has been streamlined and responsibilities have been shared. As stated in the previous paragraph, this method will be developed to cover both existing and new needs and will potentially allow for appropriate people from outside the Board to be included.
   ii) While overseeing the sale of More House, the trustees had necessarily to meet with great frequency. With the sale achieved and a new Finance Committee in process of development, it has become possible to revert to a normal pattern of quarterly meetings. Recognising the benefit of timely financial information, the trustees agreed to align Board meetings with the financial quarter ends. From now on, the quarterly Board meetings will be scheduled approximately two months after the end of each financial quarter.

6. <u>To align the charity with safeguarding developments in the Catholic Church for England and Wales</u>.
The trustees have always been conscious of the seriousness of this issue and of their responsibilities 'in preventing and responding to incidents of bullying and harassment' and of having 'welfare, discipline and whistleblowing policies for staff, including clear policies and procedures on bullying and harassment,' (cf., Charity Commission statement, 11th August 2022).They are in the process of collating and updating their existing policies relating to both employees (especially at St Leonards) and sisters. 'Safeguarding' is a standing item on agendas for board meetings, and usually consists of briefings and updates from the Chair and the Delegation's named Safeguarding Lead.
During this last year, a valuable source of information has been a series of online meetings organised by the Conference of Religious to move forward the recommendations of the Elliott Report following the IICSA Report of 2020, as adopted by the Bishops' Conference of England and Wales. The most significant developments have been the setting up of the (mandatory) Catholic Safeguarding Standards Agency (CSSA) and the

Religious Life Safeguarding Service (RLSS). The charity is a member of both organisations.

i) CSSA. The trustees authorised the signing of a Letter of Intent, with formal membership beginning on 1st July 2021, ahead of the signing of a formal contract on 31st August 2022.
An annual per capita fee of £85 has been agreed for all religious congregations, for three years to 2025; it is paid monthly by Direct Debit. Our first payment was taken in January 2022.

ii) RLSS. Membership began on 17th February 2022, after the signing of a Statement of Intent (16th July 2021) and a Contract and Data Sharing Agreement (17th February 2022). An annual per capita fee of £115 is paid on or around 1st April. The RLSS has set up a Common Fund to help any struggling Religious Life Groups (RLGs) with the payment of fees. We have made a modest contribution to this fund.
The RLSS exists to advise and help RLGs on Safeguarding matters. It organises relevant training sessions for Trustees, Safeguarding Leads and others concerned. The Delegation's Safeguarding Lead has already taken part in a DBS training session, and it is intended to involve the Trustees in appropriate sessions in the coming months.

7. To monitor and enhance health and safety requirements
During the year a Fire Safety assessment report was commissioned at St Leonards on Sea. The findings, which were broadly accepted by the Board, are currently being implemented. Issues concerning the sisters living elsewhere have been taken in hand by the Care Manager.

PART 2. ACHIEVEMENTS AND PERFORMANCE

The trustees confirm that they have complied with the duty in Chapter 25, part 1, Section 4 of the Charities Act 2011to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

We ended the financial year 2021-2022 with 17 sisters. Seven of them were at St Leonards on Sea, East Sussex (including one who had moved there from Scotland in the course of the year); three were in separate care or nursing homes and the remaining seven were living individually or in pairs in various places, mainly because of the work in which they are, or have been, engaged. All the sisters, whatever their age and state of health, contributed to the mission of the Congregation by their interest and prayer. The more active among them (including some well into their eighties, or even nineties) engaged in a wide variety of beneficial activities, as will be shown after a survey of the public benefit provided by the community at St Leonards.

1. St Leonards on Sea, East Sussex

The two adjoining properties at St Leonards, Alix Lodge and Filsham Lodge, have been arranged to meet the needs of some of our elderly and infirm sisters. With the ending of restrictions imposed by the pandemic, the sisters have begun once more to welcome visitors, interact with local people, engage in charitable activities according to each one's possibilities and provide whatever help they can, whether material or spiritual. Individual sisters continue to support a wide range of national and international charities by means of small donations from their personal allowances and by signing on-line petitions and writing letters to MPs. There is also a budget for donations in the name of the community as a whole. One sister writes regularly to a sick person overseas to give support and prays daily for peace and justice in parts of the world where there is conflict and oppression; she also prays for the Pope's work of reform and for Christian unity. Another continues a ministry begun during lockdown by keeping in regular telephone contact with 15 people who find living alone difficult. She enjoys being able to resume activities with the local Geology Society and RSPB and is in process of reconnecting with the local hospice, St Michael's, with a view to new volunteer work. Another sister has begun volunteering one afternoon a week in the Sara Lee Trust charity shop. With a lifelong involvement in the Guide Movement, she is now Chair of a local Trefoil Guild. She also knits sets of nativity figures for an ever-growing clientèle. The community as a whole always bring the needs of church and world into their daily communal prayer and pray for the ever-growing number of people who approach them for help.

As far as possible, the sisters shop ethically and locally; they recycle materials and do whatever else they can to protect the environment. Pope Francis' encyclical letter, *Laudato Si'*, on care for our common home, has been their guide in making decisions affecting everyday life. They have also contributed in practical ways to the needs of locally disadvantaged people, for instance, by donating food and clothing at Christmas.

In the aftermath of Russia's invasion of Ukraine, the community offered to accommodate two close relatives of a Ukrainian member of staff when they were able to leave Ukraine. In the event, however, more suitable

accommodation was found elsewhere.

A significant contribution to public benefit comes from the availability of the freestanding Filsham Hall and the attractive garden, completely organic, with several areas of re-wilding. The Hall is being used again by various local groups whose number and range have increased since the pandemic. It is appreciated especially by elderly and disabled people for its ease of access and its facilities. The rent paid for its use provides a modest source of income for the community. The Hall continues to function informally as a small local lending library but, with fewer people now making use of it, this facility is gradually being wound down. An innovation this summer has been to join the local Open Gardens scheme. This proved very popular with many visitors to the garden on the designated days, some of them discovering its (and our) existence for the first time. Funds raised in this way went to St Michael's Hospice.

2. Individual Sisters

The impact made by the sisters living in other locations results from a wide range of activities, of which the following are just a few examples.

Helping people in need: This has taken many forms. Some sisters have supported local food banks, homeless people, families in need, people with mental health and relational problems etc. Some have developed supportive relationships with neighbours struggling with depression, substance abuse, dementia etc.; sat with dying neighbours; provided a listening ear to people who come to the door; taken people who can no longer drive on occasional outings or provided telephone support. One sister knits warm garments for neighbours (and other sisters) suffering from the cold.

Hospitality: Whenever possible, they have welcomed visitors and guests, including some from overseas, for short or long periods; have hosted meetings of local groups; shared meals; provided quiet spaces for personal prayer; maintained links with former students, pupils and clients by email, Zoom, Skype etc. or, when possible, by actual meetings. One sister noted: 'I think there has been an increase in visitors post-covid: neighbours and others.'

Church and Interfaith involvement: Some sisters have worked with other religious communities; some have deepened their relationship with a Women's Interfaith Network group in an ethnically diverse part of London. This group has explored new ways of creating activities aimed at 'community cohesion.' Strong relationships have been developed, with sharing of food and taking part in each other's religious celebrations. One sister has continued to be closely involved with the Vietnamese Chaplaincy in London, including teaching in a Sunday School there. She has participated in and supported an online Vietnamese gospel-sharing group and has helped prepare a Caribbean child for First Communion. Others participate in their local parishes as readers, Eucharistic ministers etc., visit the housebound, the bereaved and, when possible, people in care and nursing homes. During lockdown, they answered phone calls from people asking for prayers, prayed with people over the phone and provided spiritual accompaniment. One has reported on developments in the group she helped organise last year: a parish based "Living *Laudato Si*'" group which meets regularly in our house. The aim is to raise awareness of climate change and to encourage participation in a number of different events and activities. Some have taken part in meetings organised by dioceses to prepare reports on people's wishes in preparation for the Synod called by Pope Francis in 2023. The contribution of prayer is emphasized, especially, at the moment, for those suffering from the war in Ukraine or from the negative effects of climate change, or from financial struggles in the worsening economic situation.

Education, Justice and Development One sister has coached two adolescents for GCSE and has helped other, younger children needing educational back up. She discovers and propagates helpful literature on a range of subjects: justice and peace, ecology and climate change, healthcare etc. All the sisters support a wide range of charities and organisations, both national and international, by making small donations or by signingpetitions, especially ones involving issues of social and environmental justice. One acts as UK coordinator for a Ugandan charity; another helps organise support for other projects in Uganda. Information is often circulated among the sisters, especially by email.

Professional; Two sisters are Jungian psychotherapists helping people with mental health problems, from different ethnic origins, cultures and religions, offering reduced fees for those who would otherwise be unable to get psychological help. They are members of the Guild of Analytical Psychologists (GAP). One is a member of the Training Committee of GAP and also accompanies two students as their Personal Tutor. The other is also a member of the International Association for Analytical Psychology and is registered with the UK Council for Psychotherapy. She coordinates the GAP Foundation Course Programme, a new and groundbreaking initiative to introduce the life and work of C.G. Jung; she leads seminars and gives public talks on Jungian psychology

and spirituality with an interfaith dimension. Another sister works two days a week as a volunteer ranger in a nature reserve and, by focusing on habitat variety and climate change, helps to connect visitors with nature.

Ecological: all the sisters are very conscious of the challenges of climate change. They do all they can to reduce plastic use, to recycle waste, to buy Fair Trade products and so on. 11 sisters took part in an internally organised 'Big Plastic Count' modelled on that done by Greenpeace together with Everyday Plastic in May 2022. This was a nationwide investigation into domestic plastic waste, the results of which, it is hoped, will encourage the Government to set targets for reducing single-use plastic. Our version was an eye-opening experience when the results of each person's week-long tally of all plastic disposed of was shared at our Residential Meeting and led to renewed commitment to reducing our use of plastic as far as possible.

An educational 'legacy': £3 million from the sale of More House, our student Hall of Residence in London for almost 70 years, has been awarded in grants to organisations with which we have worked or whose educational vision is akin to our own (see above, p.2).

Summary

From the preceding descriptions, it can be seen that the sisters, wherever they find themselves, are as fully engaged as age and health permit in religious and educational work in accord with the charity's aims and objectives. They are inspired by the Congregation's motto "do good to all, do harm to none" to make whatever contribution they can in the fields of faith, education and justice, to the benefit of a wide variety of people. They have also increased their public benefit this year by making one-off 'legacy' grants to selected organisations as set out in Part I above.

PART 3 FINANCIAL REVIEW

A summary of the year's results can be found from page 20 of the financial statements.

Income

For the accounting year 2021-2022, total income was £395,842 as against £458,252 for the previous year. This represents a decrease of £62,410. Income from pensions and allowances for sisters was roughly equivalent to their livingexpenses. There were no substantial gifts made to the Delegation this year. Income from dividends decreased from lastyear. The main reason for the decrease in income relates to a fall in dividend income resulting from the investment market being adversely affected by Covid-19, the war in Ukraine and other issues around the world impacting the economy.

Expenditure

During the year, the charity incurred expenditure for maintaining the sisters and enabling them to carry out their work amounting to £936,686 as against £1,369,582 in the previous year, a decrease of £432,896. There was also £19,000,000 spent as gifts and donations from the funds generated from the sale of More House. As a result, the year ended with a large deficit of £19,816,434, as against £516,088 in the previous year.

Net Assets

The net assets for this year stand at £12,563,655 as against £32,380,089 in the previous year, a decrease of £19,816,434. Of these assets, £2,578,810 represent a capital fund consisting of properties owned and inhabited by the sisters as fixed assets, along with a heritage asset. The other assets consist mainly of investments. At 31 August 2022, these investments amounted to £9,559,115, divided between a General Fund, a Retirement Fund, a Dowries Fund and a new Rathbones portfolio, as against £5,876,418 in the previous year. The increase is as a result of £4,000,000 of the money received from the sale of More House being reinvested into an investment portfolio.

OUR POLICY ON RESERVES

The charity's net assets stand at £12,563,655. Of these, £2,578,810 represents a capital fund consisting of properties lived in by the sisters. The valuation of land and buildings represents the market value on 1st September 2014, following the introduction of Financial Reporting Standard 102. This valuation, updated from that of 1999 and from subsequent purchase prices, has considerably increased our net assets. However, as all properties are fully used for the charity's life and work, the policy on reserves remains as set out below.

The balance sheet shows reserves of £12,563,655 as against £32,380,089 in the previous year. The sum is divided between (1) a General Fund of £7,823,914, used for the running costs of the charity, (2) a designated

Retirement Fund of £1,440,744, used for the care of the elderly sisters and for any other expenses relating to sisters' medical or health care needs, (3) a Dowries and Inheritances Fund of £720,187, ring fenced to preserve the capital belonging to individual sisters until their death. These reserves are essential for the reasons given below. However, only the General Fund is readily realisable, and it is the policy of the trustees to maintain these free reserves at a level equivalent to 2 year's expenditure or approximately £3,015,000. Existing free reserves at the year-end amount to £7,823,914 and so are above this target; the trustees will be monitoring this position with a view of investing excess reserves for future income generation as required. However, it is necessary for the charity to maintain such high reserves for the following reasons:

The Growth (General) Funds are to meet operational costs. With the addition of a portfolio managed by Rathbones Greenbank, the General portfolio managed by J.M. Finn, together with the Rathbones portfolio, will henceforth both be classified as 'Growth portfolios'. These need to be kept at a level whereby income from investments can cover running costs on a weekly basis. The need for these to provide a substantial amount of ready cash reflects our policy of caring for our elderly sisters at St Leonards on Sea, which entails high costs in the provision of nursing and other care. For this to be possible the Growth funds have to be substantial. They are kept at the required level by returns from investments which are rather higher than is the usual practice. They also have to be capable of 'topping up' the Retirement Fund when necessary. The performance of the investment managers is monitored by regular meetings with the trustees.

The Growth Funds are also necessarily large because the trustees recognise the Delegation's commitment to contribute to the financial needs of the wider Congregation by paying a substantial annual contribution or 'quota' to the General Council, currently set at £50,000 (although if the charity were to find itself in financial difficulties the quota would be reduced or cancelled). In addition, we contribute annually to educational projects in line with our charitable aims, chosen annually by the sisters themselves. We see this use of our resources as another way in which we can contribute to the general good.

The Retirement Fund exists primarily to meet the health care needs of the sisters through to the end of their lives. It must be able to cover the financing of the Care at Home system at St Leonards on Sea, nursing home fees elsewhere when needed, funeral expenses, etc. These calls on the fund are already considerable and will increase exponentially as the sisters grow older. As the duty of the trustees is to ensure that each sister is provided for in the way best suited to her needs until the time of her death, it is essential that the fund be maintained at the necessary level for up to the next forty years, something that obviously necessitates substantial reserves. The fund is maintained by income from investments, and from sisters' pensions and other benefits. It is supplemented as required from the Growth Funds which must therefore be sufficient to meet this need.

Both the Growth and Retirement funds are invested primarily in listed securities. Such securities offer cash liquidity, which is an important consideration for the charity's significant cash requirements related to the care of our elderly sisters at St Leonards on Sea. The funds retained by the charity from the sale of More House should ensure that adequate financial resources are available to continue to care for the needs of the charity's members in both the short and the long term.

The Dowries and Inheritances Fund. A third portfolio was created in 2017 with an amount of £769,402. This fund recognises the liability that exists with regard to money brought to the charity by Sisters when they joined the Congregation, and to inheritances received after joining. The separate existence of this fund means that, if a sister leaves the Congregation or when she dies, the monies concerned can be accessed readily and either returned to her (if she leaves) or else, after her death, released into the charity or passed on to her beneficiaries in accordance with the terms of her will. The charity is entitled to the income but not the capital of this fund during a sister's lifetime. The fund has, from time to time, required transfers to/from a Growth Fund.

The Dowries Fund invests only in low-risk gilts and cash, as its purpose is not to achieve a higher yield but simply to maintain its capital value.

Summary

The substantial resources in the Growth and Retirement Funds should ensure that the charity can maintain itself, carrying out its obligations to its own members (Retirement Fund) and to its charitable aims for the public benefit (General Fund)for a sufficient length of time. Cash flow requirements and long-term planning make it important that capital should not be depleted until absolutely necessary. The sale in 2021 of the charity's most valuable asset, More House, provides reassurance that the charity will not run out of money.

Principal funding sources

The two principal sources of income for the charity are the pensions and allowances received by individual sisters and the interest and dividends from investments.

INVESTMENT PERFORMANCE

The Charity investment portfolios have been constructed to:

1. Meet the immediate needs of the Sisters (the Retirement Portfolio);
2. Ensure the medium and long-term viability of the charity (Growth Portfolios);
3. Match the potential liability of the Dowries and Inheritance funds held by the charity on behalf of some members of the charity.

As of 31st August 2022 the value of funds under management was £9,529,115.

Each of the investment managers manages a growth portfolio:

1. J M Finn achieving a gross yield 3.28% for the full year; and
2. Rathbones achieving a gross yield of 1.6% for the final six months of the year.

The Retirement Portfolio seeks to maximise income for the Charity and is more risk averse than the Growth Portfolios. The portfolio achieved a gross yield of 3.47% for the year.

The Dowries Fund portfolio has the objective of maintaining its capital value and as such, the portfolio invests entirely in low-risk UK government securities or cash. The portfolio achieved a gross yield of 0.68% for the year.

The asset allocation for each of the portfolios at the end of the year is set out below:

	Dowries	Growth	Retirement
Fixed Interest & Cash	100%	12.9%	21.4%
Equities	-	71.3%	56.3%
Alternatives*	-	15.8%	22.3%

Alternatives* = investments providing exposure to alternative energy supplies, infrastructure, environmental and property types.

PART 4 OUR FUTURE PLANS

1. Use of Properties

In June 2021, the sisters were consulted about their wishes for future accommodation and the results were communicated to the trustees as essential elements in calculating a Long-Term Financial Forecast (LTF). It became clear that only a small number of the sisters currently living elsewhere envisaged moving to St Leonards at some time in the future (with the exception of one sister, at the time living on her own, who moved there in June 2022). The majority envisaged staying where they were and finding alternative solutions when this was no longer viable (one sister, in fact, subsequently moved into supported housing in July 2022).

During the sisters' annual Delegation Meeting in August 2022, the situation was reviewed with the intention of defining a strategy for the next three years. The outcome was that:

i) At St Leonards, we will continue to provide "Care at Home" for elderly and sick members. Budgeting includes provision for adaptations and improvements over time and as needed. Priority will continue to be given to providing occupational therapy and other ways of improving the well-being of the resident sisters.

ii) At the same time, it was recognised that the dwindling number of sisters inhabiting the two houses (currently only three in Alix Lodge and four in the larger Filsham Lodge) raised questions about the use of space and even the viability of retaining the property in its entirety.

iii) The sisters' principal desire was that, wherever they were living, they should be able to remain in contact and develop new forms of community interaction. Several people indicated that they would be prepared to move to St Leonards provided they could maintain a certain flexibility in the way they organised their daily life (e.g., separate catering). In other words, St Leonards would become a 'hub' for the continuing life of the Delegation. It was therefore decided that a feasibility study would be undertaken, organised by the Executive Director, to assess the possibilities afforded by the site, e.g., subdividing Filsham Lodge into flats or/and installing 'pods' (mobile homes) in the grounds. A property specialist has already been booked for an initial visit to the site in November 2022 (and also to give

an up-to-date valuation of the property).

iv) A second 'hub' would be developed in London, centered on the Walthamstow property. As at St Leonards, though on a smaller scale, there is potential for rethinking the use of both house and grounds to allow for closely linked but separate living units. A feasibility study will be undertaken here too. Once the range of options has become clearer, further discussion will take place.

2. Governance Issues

i) The Finance Committee and Working Groups. As explained in Part I above, the erstwhile Finance and Administration Committee has been reconstituted in a slimmed-down way to focus more specifically on financial issues. Other elements of its previous remit will be covered by means of small working groups, either permanent or ad hoc. This constitutes a new approach to the charity's governance. It aims both to reduce some of the burden falling on the trustees, to avoid reduplication of work and to allow for a wider body of people to constitute the working groups. This new structure is still in its early stages and will be developed in the course of the next financial year

ii) Trustee Recruitment. With a view to ensuring that the charity continues to have enough trustees in the years ahead to cover all aspects of governance, the current trustees intend to discuss and implement ways of recruiting suitable additional members, both religious and lay.

3. Safeguarding. Although safeguarding issues are routinely discussed at all Board meetings, the trustees intend to follow up the opportunities for information and training afforded especially by the newly created Religious Life Safeguarding Service. They are also committed, as a matter of urgency, to updating and consolidating the Delegation's various safeguarding policy documents.

4. More House Grants. With the £3 million allocated for grants in memory of More House now allocated and in large part already disbursed, as detailed in Part I, the process of monitoring the various projects is under way. The requirement to report on progress has been included as part of the written legal agreement entered into prior to the release of funds to each beneficiary. These agreements set out the expectations and objectives attached to each grant. The Executive Director will receive reports from the beneficiaries and give an account to the trustees who are now responsible for ascertaining that the money granted is being used for the purposes for which it was given. They are aware of the importance of this task in order to ensure that the Charity's assets are being used for the common good in a responsible way.

5. Investment Policy. Work will continue to produce a document setting out in detail the charity's policy for its investments, combining ethical and environmental concerns with the necessity of maintaining adequate reserves.

PART 5 STRUCTURE, GOVERNANCE AND MANAGEMENT

In terms of Canon Law, the Congregation is governed at international level by an elected Superior General and Council in accordance with the Congregation's own Constitutions. These were written in 1640, updated in 1984, and approved both times by the Vatican. The Congregation is organised in a number of broad geographic regions known as Vicariates(with their own governance structure) or, when numbers have diminished, as Delegations (depending more directlyon the General Council). The UK has been a Delegation since 2016 (having been set up as a Vicariate in 1950). The Delegation is governed by a Delegate, appointed by, and answerable to, the Superior General. All the sisters in the Delegation are welcome to discuss important issues and their opinions are taken into account. Associates are welcomed at meetings as non-voting members.

In terms of civil law, the Delegation (previously the Vicariate) was first governed as a registered charity by a Trust Deed dated October 1962, together with a Scheme dated June 1997; it was registered under the Charities Act 2011as No. 229051. In March 2016 an application was made to the Charity Commission to become a Charitable Incorporated Organisation (CIO). The application was granted on 5th April 2016, and from that date the CIO Constitution became the charity's governing document, replacing the 1962 Trust Deed. Anew charity number,1166361, was assigned. The change-over became effective on 1st September 2016. Overall responsibility lies with the Delegate (appointed by the Superior General) who, as the sole member, appoints the trustees. The trustees are helped by a Bursar and an Executive Director, both appointed in 2018, and a Care Manager, appointed in 2020.

The trustees who served during the year, as shown in Part 6, consisted of the Delegate, three other members of

theDelegation, one of whom was also a member of the General Council until January 2022, and two lay trustees, one of whom is the Generalate's Finance Director. The Executive Director is responsible for the day-to-day running of the charity and is the line-manager for all employees. Throughout the accounting year, the trustees worked closely with the Executive Director, the Bursar, the Care Manager and various professional advisors. Formal meetings were supplemented by email and telephone contact. From March 2020 onwards, all meetings have been via Zoom or Microsoft Teams. New trustees are appointed in accordance with the Constitution and are selected from persons with relevant charity experience and skills. On appointment, new trustees are made aware of their responsibilities and are provided with background information on the charity and its objects. Further training may be provided.

TRUSTEES' RESPONSIBILITIES WITH REGARD TO THE ACCOUNTS

The trustees are aware that they are responsible for preparing the trustees' Annual 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 them to prepare accounts for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts for the financial year 1 September 2021 to 31 August 2022 they are required to:

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

The trustees understand that they are responsible for:

- *keeping sufficient 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution, and*
- *safeguarding the charity's assets and hence taking reasonable steps for prevention and detection of fraud and other irregularities.*

RISK ASSESSMENT AND RISK MANAGEMENT

The updated Risk Register for the year ending 31 August 2022 may be summarised as follows:

1. Governance. The greatest risk to the charity lies in the decreasing number and increasing age of the sisters. This is especially serious at the level of governance. For the immediate future, some mitigating steps have been taken: the charity has engaged the services of more lay experts to assist it where its own expertise and energies are limited; most significantly, a part time Executive Director, appointed in October 2018, and a full-time Care Manager, appointed in 2020. The challenge remains to ensure viable governance when there are so few sisters able to take leadership roles, including that of trustee. The future of the charity and of its assets has however been ensured by its CIO Constitution which allows for governance by the Congregation's General Council if and when the GB Delegation is unable to provide for it from its own members. More immediately, the trustees are researching ways to find new members for the Board. The inauguration of a new Finance Committee, supplemented by various permanent or ad hoc Working Groups should contribute to a greater opportunity for the trustees to share the workload. The trustees are aware that the smooth running of the charity depends in large part on a small number of administrative staff and that advance planning for succession needs to be undertaken.

2. Health care. Risks to the sisters' wellbeing since the pandemic have been mitigated by all the sisters being fully vaccinated. At St Leonards, where the risks are greatest, precautions continued to be observed, especially in the case of visitors or when sisters return after time away. With lockdown restrictions lifted, the Care Manager has been able to visit the sisters living elsewhere in the Delegation in order to assess their state of health, the suitability of their accommodation, their end of life wishes and so on. She has also checked on whether the sisters have made valid wills, have set up Power of Attorney (very few have, which

constitutes a risk) etc. Where necessary, she helps to get the process underway. She intends to continue paying regular six-monthly visits to each sister.

3. Sponsorship Licensing. Stringent immigration laws make it difficult to obtain visas so that people from abroad, including religious sisters, can participate in long term activities of the charity. In 2013, however, a Sponsorship Licence from the United Kingdom Visa and Immigration Agency (UKVI) was awarded for four years, enabling visas to be applied for annually (although with no guarantee that applications would be successful). The licence was renewed in 2017 for a further four years. In August 2021 it was again renewed and, by the end of that month, was already active. The Licence is for Tier 2 (Ministers of Religion) and Tier 5 (Temporary Worker / Religious Worker). A recently identified risk is that the same person fills the roles of both Authorising Officer and Key Contact; this is noted as needing to be addressed. Meanwhile, the services of a specialist immigration solicitor are available for help and advice when needed.

4. Safeguarding. All sisters and employees involved in activities connected with children or vulnerable adults have DBS checks in place. A named sister acts as the Delegation's Safeguarding Lead. In 2013, the Delegation was aligned for safeguarding services with the Roman Catholic Diocese of Brentwood. This alignment has now been transferred to the Religious Life Safeguarding Service (RLSS). The Delegation has signed up to membership of both the RLSS and the Catholic Safeguarding Standards Agency (CSSA). The trustees are aware that, although the charity has not been responsible for running schools for a number of years, the possibility of historic abuse claims being made against sisters cannot be ruled out and this remains a risk, albeit a remote one. Efforts are being made to identify documentation from past insurance companies who would be responsible in the event of any compensation claims; this is however no easy matter. Current risks are being met by the updating of policies and procedures.

5. Data sharing. Security risks in the sharing and storing of information have been addressed by improved online provision of dedicated email addresses and top-quality anti-virus software. The charity engages the services of a specialist internet advisory company, JP2 IT. The trustees are, however, aware of the importance of remaining alert to increasingly sophisticated scams and of taking all necessary precautions. Sessions at the Association of Provincial Bursars Conference in October 2021, attended by two of the trustees, proved particularly helpful.

PART 6. REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees:	Sister Jennifer Dines (Chair); Sister Marie Robin; Sister Christina Brown; Mr. Raymond Verley; Mr. Tim Haigh; Sister Jo Langford.
Provincial (Delegate):	Sister Jennifer Dines
Executive Director:	Ms. Sally McTernan
Delegation Bursar:	Mr. Jonathan Thompson
Care Manager:	Ms. Tracie Mines
Charity Number:	**1166361**
Principal Address:	Delegation Office 35 Maude Terrace London E17 7DG Tel: 020 3149 8732
Website:	www.cnd-csa.org
Auditors:	Plummer Parsons 18 Hyde Gardens Eastbourne BN21 4PT

Bankers:	Lloyds Business Banking 4th Floor, 125 London Wall London EC2Y 5AS
Solicitors:	Holmes and Hills LLP Bocking End Braintree CM7 9AJ
Investment Managers:	J M Finn & Co 25 Copthall Avenue London EC2R 7AH
	Rathbones Group Plc 8 Finsbury Circus London EC2M 7AZ
Insurance Brokers:	PIB Insurance Brokers Poppleton Grange Poppleton Lane York YO26 6GZ

The Annual Report was approved by the trustees and signed on their behalf on 17/4/2023

Sr Jennifer Dines.

Sr. Jennifer Dines
Trustee

CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

Opinion

We have audited the financial statements of Congregation of Our Lady, Canonesses of St Augustine CIO (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities 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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the charity and its activities, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, Data Protection Act, GDPR, and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, being FRS 102 and Charities SORP (FRS 102) (effective January 2019). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

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 the 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 auditors' 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.

Plummer Parsons.

Plummer Parsons

Chartered Accountants
Statutory Auditor

19 April 2023

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Income and endowments from:							
Donations and legacies	**3**	199,846	-	199,846	223,333	-	223,333
Charitable activities	**4**	8,808	-	8,808	18,885	-	18,885
Investments	**5**	109,815	72,025	181,840	115,576	89,969	205,545
Other income	**6**	5,348	-	5,348	10,489	-	10,489
Total income		323,817	72,025	395,842	368,283	89,969	458,252
Expenditure on:							
Raising funds	**7**	26,320	10,426	36,746	16,602	10,355	26,957
Charitable activities	**8**	544,376	19,355,564	19,899,940	991,533	351,092	1,342,625
Total resources expended		570,696	19,365,990	19,936,686	1,008,135	361,447	1,369,582
Net gains/(losses) on investments	**13**	(191,694)	(83,896)	(275,590)	243,825	151,417	395,242
Net outgoing resources before transfers		(438,573)	(19,377,861)	(19,816,434)	(396,027)	(120,061)	(516,088)
Gross transfers between funds		(719,552)	719,552	-	5,836,260	(5,836,260)	-
Net movement in funds		(1,158,125)	(18,658,309)	(19,816,434)	5,440,233	(5,956,321)	(516,088)
Fund balances at 1 September 2021		8,982,039	23,398,050	32,380,089	3,541,806	29,354,371	32,896,177
Fund balances at 31 August 2022		7,823,914	4,739,741	12,563,655	8,982,039	23,398,050	32,380,089

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**14**		2,329,378		2,330,601
Heritage assets	**15**		250,000		250,000
Investments	**16**		9,559,115		5,876,418
			12,138,493		8,457,019
Current assets					
Debtors	**18**	10,225		11,908	
Cash at bank and in hand		1,633,774		24,687,126	
		1,643,999		24,699,034	
Creditors: amounts falling due within one year	**19**	(498,650)		(55,777)	
Net current assets			1,145,349		24,643,257
Total assets less current liabilities			13,283,842		33,100,276
Creditors: amounts falling due after more than one year	**20**		(720,187)		(720,187)
Net assets			12,563,655		32,380,089
Income funds					
Unrestricted funds - designated	**22**		4,739,741		23,398,050
Unrestricted funds - general			7,823,914		8,982,039
			12,563,655		32,380,089

The financial statements were approved by the Trustees on 17/4/2023

Sr Jennifer Dines

.....

Sister J Dines
Trustee

CONGREGATION OF OUR LADY, CANONESSES OF ST AUGUSTINE CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash absorbed by operations	**25**		(19,240,552)		(1,143,242)
Investing activities					
Purchase of tangible fixed assets		(36,353)		-	
Proceeds from disposal of tangible fixed assets		-		24,800,500	
Purchase of investments		(5,412,908)		(378,506)	
Proceeds from disposal of investments		1,454,621		546,769	
Investment income received		181,840		205,545	
Net cash (used in)/generated from investing activities			(3,812,800)		25,174,308
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(23,053,352)		24,031,066
Cash and cash equivalents at beginning of year			24,687,126		656,060
Cash and cash equivalents at end of year			1,633,774		24,687,126

1 Accounting policies

Charity information

Congregation of Our Lady, Canonesses of St Augustine CIO is a Charitable Incorporated Organisation governed by a constitution dated 5 April 2016. It is registered with the Charity Commission under charity number 1166361. The registered office is the Delegation Office, 35 Maude Terrace, London E17 7DG.

The CIO was set up to take over the activities of the previously unincorporated trust from 1 September 2016. That charity was previously registered with the Charity Commission under charity number 229051 under the name of the Charity of the Congregation of Our Lady Canonesses of St Augustine, and was governed by a trust deed dated October 1962 and a scheme dated June 1997.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties, heritage assets and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

Donated services and facilities are included at the value to the charity where this can be quantified.

Investment income is dividends and interest generated by the charity's share portfolios, as well as bank interest, and is recognised in the SoFA when receivable.

1.5 Expenditure

All expenditure is incurred in pursuit of the charity's objects as laid down in the constitution and is recognised in the accounts when payable. It includes irrecoverable VAT.

The costs of raising funds includes the fees paid to investment managers in respect of the management of the charity's investment portfolios.

Charitable expenditure comprises that related to running the Religious Communities and includes staff costs attributable to the activity. It includes both direct costs and support costs relating to such activities.

Support costs, including governance costs, are those functions that assist the deliverance of the charitable activities. Governance costs comprise expenditure for advice on constitutional and statutory matters and costs of compliance. Support costs wholly relate to the charitable activity of running the Religious Communities and so have been allocated wholly to that activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% Straight line
Fixtures, fittings & equipment	20% Straight line
Motor vehicles	25% Straight line

Freehold land, representing approximately 1/3 of the deemed cost, and assets in the course of construction are not depreciated.

Tangible fixed assets are capitalised if they can be used for more than 1 year and cost at least £5,000.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Heritage assets

Heritage assets are included in the accounts under the revaluation method, based on the most recent valuation obtained. The valuation is based on the best estimate by competent professionals, although consideration should be given the uniqueness and inherent difficulty in valuing such items.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1 Accounting policies **(Continued)**

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any material unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Legacies and dowries

Legacies and dowries are capital amounts held on behalf of individual Sisters during their lifetimes and are distributed in accordance with their wishes on death. The figure included is calculated as its historical cost and when the Sisters joined, and is not re-measured to fair value at the year end date. The trustees believe this to be the most appropriate policy due to the uncertain timing of their deaths and their wishes. As a consequence, the trustees do not consider that the large expense needed in order to calculate the figure is justified. This is in accordance with policy on estimates in Note 2.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	5,452	2,544
Salaries	15,705	21,787
Pensions	178,689	199,002
	199,846	223,333

The salaries and pensions are earned income of the Sisters covenanted to the charity.

4 Charitable activities

	Hall of residence 2022 £	**Hall of residence 2021 £**
Hall of residence and other rents	-	18,885
Other income	8,808	-
	8,808	18,885

5 Investments

	Unrestricted funds general 2022 £	**Unrestricted funds designated 2022 £**	**Total 2022 £**	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Income from listed investments	109,815	72,025	181,840	115,576	89,969	205,545

6 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Net gain on disposal of tangible fixed assets	-	500
Royalties	-	51
Other income	5,348	9,938
	5,348	10,489

7 Raising funds

	Unrestricted funds general 2022 £	**Unrestricted funds designated 2022 £**	**Total 2022 £**	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Investment management	26,320	10,426	36,746	16,602	10,355	26,957
	26,320	10,426	36,746	16,602	10,355	26,957

8 Charitable activities

	Hall of Residence expenditure	Community running expenses	Delegation	Total 2022	Total 2021
	2022	2022	2022		
	£	£	£	£	£
Staff costs (see note 12)	-	292,331	-	292,331	442,468
Depreciation and impairment	-	37,576	-	37,576	36,860
Hall of residence expenses	740	-	-	740	345,208
Community and personal	-	365,193	-	365,193	344,770
Donations	-	33,123	-	33,123	29,214
Premises costs	-	96,094	-	96,094	97,668
	740	824,317	-	825,057	1,296,188
Grant funding of activities (see note 9)	-	-	19,000,000	19,000,000	-
Share of support costs (see note 10)	-	57,289	-	57,289	22,013
Share of governance costs (see note 10)	-	17,594	-	17,594	24,424
	740	899,200	19,000,000	19,899,940	1,342,625
Analysis by fund					
Unrestricted funds - general	740	543,636	-	544,376	991,533
Unrestricted funds - designated	-	355,564	19,000,000	19,355,564	351,092
	740	899,200	19,000,000	19,899,940	1,342,625
For the year ended 31 August 2021					
Unrestricted funds - general	500,509	491,024	-		991,533
Unrestricted funds - designated	-	351,092	-		351,092
	500,509	842,116	-		1,342,625

9 Grants awarded

	Delegation 2022	2021
	£	£
Grants to institutions:		
The Caisse Commune	16,000,000	-
Bega Kwa Bega Uganda	1,062,750	-
Margaret Beaufort Institute of Theology	1,000,000	-
Centre for Alternative Technology	500,000	-
More House School	300,000	-
Depaul International	50,000	-
The Bakhita Centre for Research on Slavery, Exploitation and Abuse	40,000	-
The Medialle Trust	34,000	-
Other	13,250	-
	19,000,000	-

-

10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Professional fees	4,902	-	4,902	6,244	-	6,244
Office expenses	11,145	-	11,145	9,769	-	9,769
Rent	6,000	-	6,000	6,000	-	6,000
Health and safety - fire risk assessment	32,894	-	32,894	-	-	-
Safeguarding	2,348	-	2,348	-	-	-
Audit fees	-	3,745	3,745	-	13,000	13,000
Accountancy	-	8,059	8,059	-	6,244	6,244
Delegation expenses	-	5,790	5,790	-	5,180	5,180
	57,289	17,594	74,883	22,013	24,424	46,437
Analysed between						
Charitable activities	57,289	17,594	74,883	22,013	24,424	46,437

Governance costs includes payments to the auditors of £3,745 (2021- £13,000) for audit fees, and £8,059 (2021- £6,244) for non-audit services .

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year in respect of their services. No trustees received reimbursement for travelling expenses in the year (2021: £nil).

The total aggregate donations received by the charity during the year from the 4 religious trustees, comprising of small gifts, donated pensions and salary income, was £43,965 (2021: 4 Trustees £56,020).

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	3	4
Care staff and other	14	17
Total	17	21

Employment costs	2022 £	2021 £
Wages and salaries	263,509	407,805
Social security costs	18,734	24,776
Other pension costs	10,088	9,887
	292,331	442,468

As part of its operations, the charity has an obligation to care for the Sisters in their old age. Should there be any periods where additional care staff are required, the charity engages agency staff via reputable agencies. The agency staff used have the relevant skills and abilities required so as to maintain the charity's high standards. These individuals are employed by the agencies, who retain all the responsibilities and requirements associated with employment. These include, but are not limited to, remuneration packages, disciplinary procedures, holiday entitlements and employment law considerations. The total costs for agency staff during the year was £95,079 (2021: £85,808).

Total amounts paid to Key Management Personnel during the year were £129,312 (2021: £162,239).

During the year no redundancy payments (2021: £67,111) were paid to former employees.

There were no employees whose annual remuneration was more than £60,000.

13 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Total 2021 £
Revaluation of investments	(202,559)	(89,397)	(291,956)	399,509
Gain/(loss) on sale of investments	10,865	5,501	16,366	(4,267)
	(191,694)	(83,896)	(275,590)	395,242
For the year ended 31 August 2021	243,825	151,417		395,242

14 Tangible fixed assets

	Land and buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2021	2,570,586	276,284	27,277	2,874,147
Additions	36,353	-	-	36,353
At 31 August 2022	2,606,939	276,284	27,277	2,910,500
Depreciation and impairment				
At 1 September 2021	241,142	275,127	27,277	543,546
Depreciation charged in the year	36,987	589	-	37,576
At 31 August 2022	278,129	275,716	27,277	581,122
Carrying amount				
At 31 August 2022	2,328,810	568	-	2,329,378
At 31 August 2021	2,329,444	1,157	-	2,330,601

The carrying value of land included in land and buildings comprises:

	2022 £	2021 £
Freehold	757,581	757,581

14 Tangible fixed assets **(Continued)**

The freehold properties were valued to fair value at the transition date of 1 September 2014 as part of the transition to FRS 102 and this valuation has been incorporated into the accounts as the deemed cost. Approximately 1/3 of this deemed cost represents the land which is not depreciated.

The valuation of the individual houses was carried out by Mr Ayaz Siddiqui on 27 March 2017 based upon the Land Registry average house prices index which put the properties at a fair value, based on vacant possession, of £2,923,118.

More House was sold in 2021 for £24,800,000

The properties were previously valued in 1999 at the value estimated by the trustees, plus the cost of subsequent additions, being £6,216,559. As a result of the revaluation to fair value, designated fund reserves at 1 September 2014 increased by £26,760,560.

Fixtures and fittings are included at the trustees' estimate in 1999 of their replacement values for insurance purposes, plus the cost of any subsequent additions.

15 Heritage assets

	Alabaster carving £
At 1 September 2021 and at 31 August 2022	250,000

An alabaster carving, of great historical significance, was held in the Chapel in More House. Following the closure and impending sale of this property, the carving was professionally valued. Christies Auctioneers valued the carving at £200,000-£300,000 in September 2020. The value of the carving, both financial and historical, has been established and the Congregation will now be lending this item to a museum, that its significance may be understood and appreciated by the public. As such, the trustees consider that it is now appropriate to recognise this as a heritage asset. The Trustees believe the valuation of £250,000 remains appropriate at the year end.

16 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Market value			
At 1 September 2021	5,846,418	30,000	5,876,418
Additions	5,412,908	-	5,412,908
Valuation changes	(291,955)	-	(291,955)
Cash account transactions	364,843	-	364,843
Disposals	(1,803,099)	-	(1,803,099)
At 31 August 2022	9,529,115	30,000	9,559,115
Historical cost			
At 31 August 2022	9,134,902	30,000	9,164,902
At 31 August 2021	4,676,170	30,000	4,706,170

16 Fixed asset investments **(Continued)**

Included above are £426,618 (2021: £61,775) held by the investment managers for re-investment.

17 Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	9,529,115	5,846,418

18 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Other debtors	-	7,026
Prepayments and accrued income	10,225	4,882
	10,225	11,908

19 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors	-	5,125
Accruals and deferred income	498,650	50,652
	498,650	55,777

20 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Other creditors	720,187	720,187

Other creditors represent legacies and dowries which are capital amounts held on behalf of individual Sisters during their lifetimes and are distributed in accordance with their wishes on death.

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £10,088 (2021 - £9,887).

22 Designated funds

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

		Movement in funds					Movement in funds				
	Balance at 1 September 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 September 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 August 2022
	£	£	£	£	£	£	£	£	£	£	£
Capital fund	27,415,705	-	-	(24,836,260)	-	2,579,445	-	-	(635)	-	2,578,810
Retirement fund	1,938,666	89,969	(361,447)	-	151,417	1,818,605	72,025	(365,990)	-	(83,896)	1,440,744
Sale of More House funds	-	-	-	19,000,000	-	19,000,000	-	(19,000,000)	-	-	-
Dowries and Inheritances fund	-	-	-	-	-	-	-	-	720,187	-	720,187
	29,354,371	89,969	(361,447)	(5,836,260)	151,417	23,398,050	72,025	(19,365,990)	719,552	(83,896)	4,739,741

The Capital fund represents the accumulated value of the properties held at the year end. Transfers during the year represent additions, disposals and depreciation charges; as detailed in Note 13.

The Retirement fund represents monies set aside for the Sisters' retirement and to cover their medical and nursing needs. The fund is represented by investments and cash, and the investment managers' costs are charged against the fund. Transfers during the year represent movements from the unrestricted fund to increase the Retirement Fund balance after investments were sold to release liquid reserves for the continuing care of the Sisters.

Some of the proceeds from the sale of More House have been designated by the Trustees for specific donations to be made in future years. The transfer in the year relates to the transfer of the proceeds from the designated capital fund.

The Dowries and Inheritances fund represents monies set aside to preserve the capital belonging to individual sisters until their death.

23 Analysis of net assets between funds

	Unrestricted funds 2022	**Designated funds 2022**	**Total 2022**	Unrestricted funds 2021	Designated funds 2021	Total 2021
	£	**£**	**£**	£	£	£
Fund balances at 31 August 2022 are represented by:						
Tangible assets	569	2,328,809	2,329,378	1,157	2,329,444	2,330,601
Heritage assets	-	250,000	250,000	-	250,000	250,000
Investments	6,704,826	2,854,289	9,559,115	3,668,911	2,207,507	5,876,418
Current assets/(liabilities)	1,118,519	26,830	1,145,349	5,311,971	19,331,286	24,643,257
Long term liabilities	-	(720,187)	(720,187)	-	(720,187)	(720,187)
	7,823,914	4,739,741	12,563,655	8,982,039	23,398,050	32,380,089

24 Financial commitments, guarantees and contingent liabilities

The charity is committed to the care of the Sisters in their old age and to provide for their future medical and nursing needs. The cost of this provision cannot be measured with any sufficient accuracy but is estimated to be in the region of £2 million based upon the present cost of nursing care at today's prices, discounted over 20 years at an interest rate of 10%. The Trustees have set aside funds in a designated Retirement Fund to cater for this eventuality and these funds are represented by investments and cash.

25 Cash generated from operations

	2022	**2021**
	£	**£**
Deficit for the year	(19,816,434)	(516,088)
Adjustments for:		
Investment income recognised in statement of financial activities	(181,840)	(205,545)
Gain on disposal of tangible fixed assets	-	(500)
(Gain)/loss on disposal of investments	(16,366)	4,267
Fair value gains and losses on investments	291,956	(399,509)
Depreciation and impairment of tangible fixed assets	37,576	36,860
Movements in working capital:		
Decrease/(increase) in debtors	1,683	(1,065)
Increase/(decrease) in creditors	442,873	(61,662)
Cash absorbed by operations	(19,240,552)	(1,143,242)

26 Analysis of changes in net funds

The charity had no debt during the year.