

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

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|                     |   |                              |
|---------------------|---|------------------------------|
| 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<br>35 Maude Terrace<br>London<br>E17 7DG  |                              |
| Auditor             | James Todd and Co Limited<br>Drayton House<br>Drayton Lane<br>Chichester<br>West Sussex<br>PO20 2EW |                              |
| Bankers             | Lloyds Business Banking<br>4th Floor 125 London Wall<br>London<br>EC2Y 5AS                          |                              |
|                     | Epworth Investment Management Limited<br>9 Bonhill Street<br>London<br>EC24 4PE                     |                              |
| Solicitors          | Holmes and Hills LLP<br>Bocking End<br>Braintree<br>CM7 9AJ   |                              |
| Investment advisors | JM Finn & Co<br>25 Copthall Avenue<br>London<br>EC2R 7AH  |                              |
|                     | Greenbank Investments<br>30 Gresham Street<br>London<br>EC2V 7QN                                    |                              |

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# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

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# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT

### ***FOR THE YEAR ENDED 31 AUGUST 2024***

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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."

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### **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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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 26<sup>th</sup> 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 8<sup>th</sup> 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 1<sup>st</sup> 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 30<sup>th</sup> 2024. In addition to giving a tentative market value for each house, the report contained the following recommendations:

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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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 15<sup>th</sup> 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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.'

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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:

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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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 31<sup>st</sup> 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 15<sup>th</sup> 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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 most 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

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### **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**

|   |           | Unrestricted<br>funds<br>general<br>2024<br>£ | Unrestricted<br>funds<br>designated<br>2024<br>£ | Total<br>2024<br>£ | Unrestricted<br>funds<br>general<br>2023<br>£ | Unrestricted<br>funds<br>designated<br>2023<br>£ | Total<br>2023<br>£ |
|---|-----------|---|--|--------------------|---|--|--------------------|
|   | Notes     |   |  |                    |   |  |                    |
| <b>Income and endowments from:</b>        |           |   |  |                    |   |  |                    |
| 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              |
| <b>Total income</b>                       |           | <b>426,281</b>                                | <b>77,724</b>                                    | <b>504,005</b>     | <b>415,922</b>                                | <b>74,903</b>                                    | <b>490,825</b>     |
| <b>Expenditure on:</b>                    |           |   |  |                    |   |  |                    |
| 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            |
| <b>Total expenditure</b>                  |           | <b>726,735</b>                                | <b>329,413</b>                                   | <b>1,056,148</b>   | <b>718,253</b>                                | <b>301,931</b>                                   | <b>1,020,184</b>   |
| Net gains/(losses) on investments         | 13        | 437,054                                       | 107,092  | 544,146            | (475,245)                                     | (207,423)  | (682,668)          |
| <b>Net expenditure</b>                    |           | <b>(300,454)</b>                              | <b>(251,689)</b>                                 | <b>(552,143)</b>   | <b>(302,331)</b>                              | <b>(227,028)</b>                                 | <b>(529,359)</b>   |
| <b>Other recognised gains and losses:</b> |           |   |  |                    |   |  |                    |
| Revaluation of tangible fixed assets      |           | -   | -  | -                  | -   | 150,000  | 150,000            |
| Other losses                              | 15        | (187)   | -  | (187)              | -   | -  | -                  |
| <b>Net movement in funds</b>              | <b>10</b> | <b>(300,641)</b>                              | <b>(251,689)</b>                                 | <b>(552,330)</b>   | <b>(302,331)</b>                              | <b>(77,028)</b>                                  | <b>(379,359)</b>   |
| <b>Reconciliation of funds:</b>           |           |   |  |                    |   |  |                    |
| Fund balances at 1 September 2023         |           | 7,046,338                                     | 4,455,290  | 11,501,628         | 7,823,914                                     | 4,739,741  | 12,563,655         |
| <b>Fund balances at 31 August 2024</b>    |           | <b>7,182,751</b>                              | <b>4,310,693</b>                                 | <b>11,493,444</b>  | <b>7,046,338</b>                              | <b>4,455,290</b>                                 | <b>11,501,628</b>  |

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

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#### 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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#### **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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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#### 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**

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

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**

|   |       | 2024        |           | 2023        |           |
|---|-------|-------------|-----------|-------------|-----------|
|   | Notes | £           | £         | £           | £         |
| <b>Cash flows from operating activities</b>         |       |             |           |             |           |
| Cash absorbed by operations                         | 28    |             | (880,738) |             | (859,815) |
| <b>Investing activities</b>                         |       |             |           |             |           |
| 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     |           |
| <b>Net cash generated from investing activities</b> |       |             | 561,084   |             | 337,706   |
| <b>Net cash generated from financing activities</b> |       |             | -         |             | -         |
| <b>Net decrease in cash and cash equivalents</b>    |       |             | (319,654) |             | (522,109) |
| Cash and cash equivalents at beginning of year      |       |             | 1,111,665 |             | 1,633,774 |
| <b>Cash and cash equivalents at end of year</b>     |       |             | 792,011   |             | 1,111,665 |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 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 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:

|                                  |                   |
|----------------------------------|-------------------|
| 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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### 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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### 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 is 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 3 Income from donations and legacies

|                     | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---------------------|------------------------------------|------------------------------------|
| Donations and gifts | 2,177                              | 7,335                              |
| Salaries            | 10,040                             | 15,384                             |
| Pensions            | 188,869                            | 175,702                            |
|                     | <u>201,086</u>                     | <u>198,421</u>                     |

### 4 Income from charitable activities

|               | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---------------|------------------------------------|------------------------------------|
| Rental income |                                    |                                    |
| Other income  | 9,713                              | 9,825                              |
|               | <u>9,713</u>                       | <u>9,825</u>                       |

### 5 Income from investments

|                                | Unrestricted<br>funds<br>general<br>2024<br>£ | Unrestricted<br>funds<br>designated<br>2024<br>£ | Total<br>2024<br>£ | Unrestricted<br>funds<br>general<br>2023<br>£ | Unrestricted<br>funds<br>designated<br>2023<br>£ | Total<br>2023<br>£ |
|--------------------------------|---|--|--------------------|---|--|--------------------|
| 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             |
|                                | <u>215,482</u>                                | <u>77,724</u>                                    | <u>293,206</u>     | <u>200,671</u>                                | <u>74,903</u>                                    | <u>275,574</u>     |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

### 6 Other income

|   | Unrestricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|---|------------------------------------|------------------------------------|
| Net gain on disposal of tangible fixed assets | -                                  | 7,000                              |
| Other income                                  | -                                  | 5                                  |
|   | <u>-</u>                           | <u>5</u>                           |
|   | <u>-</u>                           | <u>5</u>                           |

### 7 Expenditure on raising funds

|                       | Unrestricted<br>funds<br>general<br>2024<br>£ | Unrestricted<br>funds<br>designated<br>2024<br>£ | Total<br>2024<br>£ | Unrestricted<br>funds<br>general<br>2023<br>£ | Unrestricted<br>funds<br>designated<br>2023<br>£ | Total<br>2023<br>£ |
|-----------------------|---|--|--------------------|---|--|--------------------|
| Investment management | 38,259  | 9,367  | 47,626             | 36,516  | 9,666  | 46,182             |
|                       | <u>38,259</u>                                 | <u>9,367</u>                                     | <u>47,626</u>      | <u>36,516</u>                                 | <u>9,666</u>                                     | <u>46,182</u>      |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

### 8 Expenditure on charitable activities

|   | Community<br>running<br>expenses<br>2024<br>£ | Community<br>running<br>expenses<br>2023<br>£ |
|---|---|---|
| <b>Direct costs</b>   |   |   |
| 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                                       |
|   | <hr/>   | <hr/>   |
|   | 896,691                                       | 877,959                                       |
| <br><b>Share of support and governance costs (see note 9)</b> |   |   |
| Support   | 89,564  | 78,805  |
| Governance  | 22,267  | 17,238  |
|   | <hr/>   | <hr/>   |
|   | 1,008,522                                     | 974,002                                       |
|   | <hr/>   | <hr/>   |
| <br><b>Analysis by fund</b>                                   |   |   |
| Unrestricted funds - general                                  | 688,476                                       | 681,737                                       |
| Unrestricted funds - designated                               | 320,046                                       | 292,265                                       |
|   | <hr/>   | <hr/>   |
|   | 1,008,522                                     | 974,002                                       |
|   | <hr/>   | <hr/>   |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

### 9 Support costs allocated to activities

|  | 2024<br>£      | 2023<br>£     |
|--|----------------|---------------|
| 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        |
|  | <u>111,831</u> | <u>96,043</u> |
| <b>Analysed between:</b>                 |                |               |
| Community running expenses               | <u>111,831</u> | <u>96,043</u> |

|                                   | 2024<br>£     | 2023<br>£     |
|-----------------------------------|---------------|---------------|
| <b>Governance costs comprise:</b> |               |               |
| Audit fees                        | 10,080        | 5,260         |
| Accountancy                       | 5,400         | 3,500         |
| Delegation expenses               | 6,787         | 8,478         |
|                                   | <u>22,267</u> | <u>17,238</u> |

### 10 Net movement in funds

|  | 2024<br>£ | 2023<br>£ |
|--|-----------|-----------|
| 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)   |
|  | <u></u>   | <u></u>   |

### 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).

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 12 Employees

The average monthly number of employees during the year was:

|                      | 2024<br>Number | 2023<br>Number |
|----------------------|----------------|----------------|
| Administration       | 4              | 4              |
| Care staff and other | 11             | 13             |
|                      | <hr/>          | <hr/>          |
| Total                | 15             | 17             |
|                      | <hr/>          | <hr/>          |

| Employment costs   | 2024<br>£ | 2023<br>£ |
|--------------------|-----------|-----------|
| Wages and salaries | 290,235   | 282,040   |
| Social security    | 18,111    | 20,517    |
| Other pension      | 10,804    | 10,241    |
|                    | <hr/>     | <hr/>     |
|                    | 319,150   | 312,798   |
|                    | <hr/>     | <hr/>     |

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

|                            | Unrestricted<br>funds<br>general<br>2024<br>£ | Unrestricted<br>funds<br>designated<br>2024<br>£ | Total<br>2024<br>£ | Unrestricted<br>funds<br>general<br>2023<br>£ | Unrestricted<br>funds<br>designated<br>2023<br>£ | Total<br>2023<br>£ |
|----------------------------|---|--|--------------------|---|--|--------------------|
| Gains/(losses) arising on: |   |  |                    |   |  |                    |
| 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)           |
|                            | <hr/>   | <hr/>  | <hr/>              | <hr/>   | <hr/>  | <hr/>              |
|                            | 437,054                                       | 107,092  | 544,146            | (475,245)                                     | (207,423)  | (682,668)          |
|                            | <hr/>   | <hr/>  | <hr/>              | <hr/>   | <hr/>  | <hr/>              |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 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<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2023<br>£ |
|----------------------|------------------------------------|------------------------------------|
| Gains/(losses) upon: |                                    |                                    |
| Foreign exchange     | 187                                | -                                  |

#### 16 Tangible fixed assets

|                                    | Freehold land<br>and buildings<br>£ | Fixtures, fittings<br>and equipment<br>£ | Motor vehicles<br>£ | Total<br>£ |
|------------------------------------|-------------------------------------|--|---------------------|------------|
| <b>Cost</b>                        |                                     |  |                     |            |
| 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  |
| <b>Depreciation and impairment</b> |                                     |  |                     |            |
| 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    |
| <b>Carrying amount</b>             |                                     |  |                     |            |
| 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<br>£ | 2023<br>£ |
|----------|-----------|-----------|
| Freehold | 1,370,575 | 1,370,575 |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 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<br>investments<br>£ | Unlisted<br>investments<br>£ | Total<br>£  |
|--------------------------|----------------------------|------------------------------|-------------|
| <b>Cost or valuation</b> |                            |                              |             |
| 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   |
| <b>Carrying amount</b>   |                            |                              |             |
| At 31 August 2024        | 8,689,900                  | 405,000                      | 9,094,900   |
| At 31 August 2023        | 8,788,630                  | 30,000                       | 8,818,630   |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

|           |   |             |                    |
|-----------|---|-------------|--------------------|
| <b>18</b> | <b>Fixed asset investments</b>  |             | <b>(Continued)</b> |
|           |   | <b>2024</b> | <b>2023</b>        |
|           |   | <b>£</b>    | <b>£</b>           |
|           | 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. |             |                    |
| <b>19</b> | <b>Debtors</b>  | <b>2024</b> | <b>2023</b>        |
|           |   | <b>£</b>    | <b>£</b>           |
|           | <b>Amounts falling due within one year:</b>   |             |                    |
|           | Prepayments and accrued income  | 14,325      | 13,029             |
| <b>20</b> | <b>Creditors: amounts falling due within one year</b>   | <b>2024</b> | <b>2023</b>        |
|           |   | <b>£</b>    | <b>£</b>           |
|           | Accruals and deferred income  | 393,980     | 465,410            |
| <b>21</b> | <b>Creditors: amounts falling due after more than one year</b>                                  | <b>2024</b> | <b>2023</b>        |
|           |   | <b>£</b>    | <b>£</b>           |
|           | Other creditors   | 670,260     | 670,260            |
| <b>22</b> | <b>Retirement benefit schemes</b>   | <b>2024</b> | <b>2023</b>        |
|           |   | <b>£</b>    | <b>£</b>           |
|           | <b>Defined contribution schemes</b>   |             |                    |
|           | 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.

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 23 Unrestricted funds - designated

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

|                               | At 1 September<br>2023<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and losses<br>£ | At 31 August<br>2024<br>£ |
|-------------------------------|-----------------------------|----------------------------|----------------------------|-----------------------|---------------------------|
| 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                   |
|                               | <u>4,455,290</u>            | <u>77,724</u>              | <u>(329,413)</u>           | <u>107,092</u>        | <u>4,310,693</u>          |

| Previous year:                | At 1 September<br>2022<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and losses<br>£ | At 31 August<br>2023<br>£ |
|-------------------------------|-----------------------------|----------------------------|----------------------------|-----------------------|---------------------------|
| 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                   |
|                               | <u>4,739,741</u>            | <u>74,903</u>              | <u>(301,931)</u>           | <u>(57,423)</u>       | <u>4,455,290</u>          |

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<br>2023<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and losses<br>£ | At 31 August<br>2024<br>£ |
|---------------|-----------------------------|----------------------------|----------------------------|-----------------------|---------------------------|
| General funds | <u>7,046,338</u>            | <u>426,281</u>             | <u>(726,735)</u>           | <u>436,867</u>        | <u>7,182,751</u>          |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 24 Unrestricted funds (Continued)

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

### 25 Analysis of net assets between funds

|  | Unrestricted<br>funds<br>general<br>2024<br>£ | Unrestricted<br>funds<br>designated<br>2024<br>£ | Total<br>2024<br>£ |
|--|---|--|--------------------|
| <b>Fund balances at 31 August 2024 are represented by:</b> |   |  |                    |
| 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<br>funds<br>general<br>2023<br>£ | Unrestricted<br>funds<br>designated<br>2023<br>£ | Total<br>2023<br>£ |
|--|---|--|--------------------|
| <b>Fund balances at 31 August 2023 are represented by:</b> |   |  |                    |
| 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         |

# CONGREGATION OF OUR LADY CANONESSES OF ST AUGUSTINE CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 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<br>£        | 2023<br>£        |
|---|------------------|------------------|
| Deficit for the year  | (7,997)          | (1,212,027)      |
| <b>Adjustments for:</b>   |                  |                  |
| 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           |
| <b>Movements in working capital:</b>                              |                  |                  |
| (Increase) in debtors   | (1,296)          | (2,804)          |
| (Decrease) in creditors   | (71,430)         | (83,167)         |
| <b>Cash absorbed by operations</b>                                | <b>(880,738)</b> | <b>(859,815)</b> |

#### 29 Analysis of changes in net funds

The Charity had no material debt during the year.