

THE CHARITY OF THE REGULAR CANONESSES OF THE ORDER OF THE HOLY SEPULCHRE OF OUR LORD

England & Wales · Charity number 1167869

Details

Other names	CANONISSARUM REGULARIUM SANCTI SEPULCRI
Status	Registered
Legal form	CIO
Registered	2016-06-27
Register	View on the Charity Commission register

Contact

Address	74 Howe Close Colchester CO4 3XD
Phone	01206867296
Email	crssuk@canonesses.co.uk
Website	http://www.canonesses.co.uk/

Activities

Objects: THE OBJECTS OF THE CIO ARE SUCH EXCLUSIVELY CHARITABLE OBJECTS AND PURPOSES, FOR THE PUBLIC BENEFIT, IN ANY PART OF THE WORLD AS MAY BE CARRIED ON, PROMOTED, ADVANCED OR SUPPORTED BY THE COMMUNITY AS THE CHARITY TRUSTEES WITH THE APPROVAL OF THE prioress MAY IN THEIR DISCRETION THINK FIT.

Activities: To support the social and pastoral work of the sisters within the local community and beyond. This includes work within the Order of Canonesses of the Holy Sepulchre in the international context of sister Communities in Europe and Africa; To provide and support education and personal and faith development; and To provide for members of the Community.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Religious Activities, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Essex

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£586,935	£673,300	£14,806,132	5
2023-09-30	£611,424	£799,809	£14,211,108	3
2022-09-30	£391,369	£5,107,313	-	-
2021-09-30	£571,699	£806,818	£19,512,600	3
2020-09-30	£653,224	£2,579,786	£18,096,282	3

Trustees

Name	Role	Appointed
SISTER MOIRA O'SULLIVAN	Chair	2016-06-27
Bronwen Pitt Dr		2025-05-09
Christine Mary Webb		2023-12-02
JOHN GRAHAM TOMLINS		2019-04-05
Jane Swadling		2021-09-05
Maire Grainne Brigid Gilmore		2023-01-18
Sister GABRIELLE MARY HORTON		2016-06-27

Accounts

**The Charity
of the Regular
Canonesses of the
Order of the Holy
Sepulchre
of Our Lord**

Annual Report and Accounts

30 September 2024

Charity Registration Number
1167869

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

Trustees	Sister Moira O'Sullivan CRSS – Chair (ex-officio) Mrs Sheila Alder (reappointed March 2023) Ms Grainne Gilmore Sister Margaret Mary Horton CRSS Mrs Jane Swadling Mr John Graham Tomlins Mrs Christine Webb (appointed December 2023)
Prioress	Sister Moira O'Sullivan CRSS
Bursar	Sister Mary Christina Birmingham CRSS
Financial administrator	Mrs Anne Bray
Principal address	74 Howe Close Colchester Essex C04 3XD
Telephone	01206 867296
Charity (CIO) registration number	1167869
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Bankers	Reliance Bank Limited Faith House 23-24 Lovat Lane London EC3R 8EB

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

Investment advisers/ managers	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET
Land agents	Savills Parkview House Victoria Road South Chelmsford CM1 1BT
Solicitors	Howes Percival Solicitors The Guildyard 51 Colegate Norwich NR3 1DD Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Conveyancers	Dyer and Crowe Limited 22 Duke Street Chelmsford CM1 1HL

The Trustees present the annual report and accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the "Charity") (the CIO) for the year ended 30 September 2024.

The report includes details of the works and aspirations of the Community of the Regular Canonesses of the Holy Sepulchre of Our Lord in England (the "Community") comprising 12 members being the one autonomous Community in England and part of an international Roman Catholic Religious Order which began in the 12th century.

The accounts accompanying this report are the accounts of the Charitable Incorporated Organisation (CIO) which is registered with the Charity Commission under Charity Registration Number 1167869 through which the assets of the Community in England are administered. The accounts have been prepared in accordance with the accounting policies set out on pages 32 to 37 of the attached accounts and comply with the Charity's Constitution, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objects, aims, objectives, activities and relevant policies

Charitable objects and aims

The Charity's objects, as set out in its Constitution, are in connection with the Roman Catholic Religion, carried out in ways and places chosen by the Trustees.

Within these charitable objects, the Charity has sought:

- ◆ To be of service in meeting local needs in the areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. Increasing age profile, decreasing number of Community members and greater frailty will necessarily reduce the extent of this outreach and will change its nature.
- ◆ To bring the Gateway of Hope project to a conclusion.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.
- ◆ To continue to engage people around us in reflective discussions on spiritual questions. For the coming year we have planned a programme exploring some of the difficult ethical and moral questions facing Christians today.
- ◆ To continue work on our legacy going into the long-term future. This will involve finalising arrangements for establishing the Chair in Catholic Studies at Durham. It will also involve 'writing the final chapter' of our story with a researcher experienced in working with Religious Communities.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community. This will include the recruitment of further key welfare staff.

Objects, aims, objectives, activities and relevant policies (continued)

Principal activities during the year

The Charity has continued to live according to its Constitution and Spirituality, within the increasingly restricted possibilities of an ageing Community.

Some of the aims of the Charity have been met in an increasingly more limited way than previously and Zoom remains a key means of reaching out to others for those of the Community who are physically restricted.

Volunteers

Throughout the year, members of the Community have given their time in a voluntary capacity to assist people who are in need. Almost all this work comes with no financial reward but contributes significantly to the overall objectives of the Charity. The work has been adapted to match the changing capacities and needs of the Community, but has continued to involve the following, albeit in a more measured way: education, spiritual guidance, parish work, local community outreach. In addition, some sisters are involved in the administration of the Charity.

We are equally aware that the Charity's activities only function so well as a result of the many volunteers who give their time generously to further the objectives of the Charity. This includes those who support our outreach and also those who are part of our advisory groups supporting the Charity administration.

Conscious that we wish to report on the Community's voluntary work at the level of the minimum wage, we have tried to give some overall sense this year of what that contribution is currently, from both Community members and volunteers.

We have estimated that on average we could claim that 80 hours a week voluntary work has been done on behalf of the Charity either by Community members or by our volunteers. The minimum living wage for 2024 was £12 per hour. This amounts to over £800 a week of time voluntarily given to build up our local communities and support those in the greatest need.

We have made the change over to the new safeguarding services for Religious and are members of both Religious Life Safeguarding Service (RLSS) and Catholic Safeguarding Standards Agency (CSSA). The checks for our volunteers are up to date.

This is our seventh year of working with a finance committee and the input of members has been key to our remaining in a good financial position despite the national and international uncertainties of the past 12 months.

Objects, aims, objectives, activities and relevant policies (continued)

Protection of Children and Vulnerable Adults

The Trustees recognise the absolute necessity of ensuring the protection and safety of all those people whom the Charity serves. All the sisters who are involved in any kind of ministry have been checked by the Disclosure and Barring Service (DBS), as have all the adult volunteers and members of staff working in the house. The Trustees are committed to the implementation of all the policies and procedures proposed by RLSS and CSSA.

We have a written policy for safeguarding our vulnerable beneficiaries, and that there have been no serious incidents in respect to safeguarding to report during this last year.

Public benefit

All the Trustees are conversant with the Charity Commission's guidelines concerning Charities and Public Benefit and have given consideration to them when assessing our activities. We therefore believe that we have complied fully with the duty in Section 4 of Part 1 of the Charities Act 2011 to have due regard to the Public Benefit guidance published by the Commission.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The Charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of professional fundraisers.

We have effectively sought to monitor and assess the good use of monies given during the year through the hard and focussed work of one of the Trustees who has this as her particular responsibility.

The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the Charity received no complaints about its fundraising activities.

Investment policy

There are no restrictions on the Charity's power to invest. At 30 September 2024, the Charity's investments were managed by CCLA. The investment strategy is set by the Trustees with advice from their investment managers. It takes into account the Charity's income requirements for the year, the risk profile and the investment managers' views of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income as advised by the Trustees from time to time. The Trustees also have an Ethical Policy which precludes investment in any company, which after reasonable enquiry, clearly generates significant profits from an activity which is contrary to our ethical policy.

The performance of the portfolios and the Charity's investment strategy are reviewed by the Trustees whose representatives meet with the investment managers on a regular basis.

Objects, aims, objectives, activities and relevant policies (continued)

Grants, donations and support of missionary work and ministry

The Charity has handed its major regular financial support of the African Pories to its legacy charity Elijah's Pot CIO (Charity Registration Number 1195718).

Any donations or fundraising done through this Charity is sent directly to the nominated African project.

Whilst the Trustees give donations to United Kingdom organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Social and pastoral work of the Community

The Community has continued its active ministry as far as possible. Our particular Ministries are chosen as expressions of the Community's spirituality and charism, and stem directly from the essence of the identity as Canonesses of the Holy Sepulchre.

One of the most important aspects of our identity as Canonesses of the Holy Sepulchre is to live alongside people in their ordinary lives - seeking to bring God to people in the everyday circumstances of life, as well as in heightened personal or liturgical experiences. We are Community people, living community and building community wherever we are. Our Community life of prayer and ministry seeks continually to find appropriate and effective ways of living and sharing the Gospel with the people around us.

Our whole life, therefore, has a particular accent on inclusivity. Our moments of shared prayer are open to all and our Ministries often focus on people who may find themselves on the margins or who are losing hope.

We give concrete expression to our charism in ways best suited to the area where we are living. We respond to local needs in ways appropriate to the situation and to our skills and experience. We have continued to engage in relevant training, have secured funding for some of these activities, and have always sought to work collaboratively.

Keeping abreast of developments and legislation relevant ministry is always a point of attention and all of this has been done via Teams or Zoom again this year. Some members of the Community have done online training related to protection of children for example. Two Trustees have also done the in person Buzzacott Trustee training.

As has already been mentioned, changes in safeguarding structures has been high on our agenda and we have been fully engaged with those movements and proposals.

Since January 8th 2024 Peter Twist has been working full time as the Operations Manager for the Community. His role will become evident through this report. He has taken on the safeguarding elements of the role and is fully conversant both with the structures of RLSS and CSSA and with their demands.

He has been preparing us for a possible audit and has put in place renewed training and paperwork.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

One of our Trustees (Christine Webb) has taken on specific responsibility for Safeguarding and has been on several training courses run by both RLSS and the Charity Commission.

Two other Trustees have also done online Safeguarding training.

Some of the Community members are also trustees of other charities which have been created as legacy CIOs – for example OODIL CIO (Charity Registration Number 1186851); Elijah's Pot CIO (Charity Registration Number 1195719); and The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO ("the Cemetery CIO") (Charity Registration Number 1189656).

The Community always offers a place of open, inclusive welcome, and that particular gift was shared with the local Communities and parishes.

As Canonesses, the Community follows the Rule of St Augustine and finds inspiration in his dictum:

'Since you cannot do good to all, you are to pay special attention to those who, by the accidents of time, or place, or circumstances, are brought into closer connection with you.'

This has demanded some creativity and change in order to be safe and keep others safe.

Meeting local needs

Some of the Community volunteer with other charities in Colchester – namely Beacon House; the Food Bank; the Korban project; a local Charity shop.

Apart from a weekly coffee group in Colchester, organised activities generated by ourselves are now confined to Melbourne where the Community runs a Homework Club (twice a week); the Toddler Group and the Wisdom Group for the elderly. These groups are run by the Community but involve upward of 20 volunteers each week.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

Meeting local needs (continued)

This year saw celebrations for the 20th year of active ministry in the Melbourne area of Chelmsford and this achievement was also marked by an article in the Essex Chronicle in December 2023. See photo below



Homework Clubs also engage local sixth form students as helpers.



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

Meeting local needs (continued)



**TODDLER
GROUP**

**WISDOM GROUP
OUTING**

The Community also organised a week of summer activities for children which involved 40 children per day. This also engaged 9 young people – mostly from the estate – as team leaders – photos below.



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

Meeting local needs (continued)

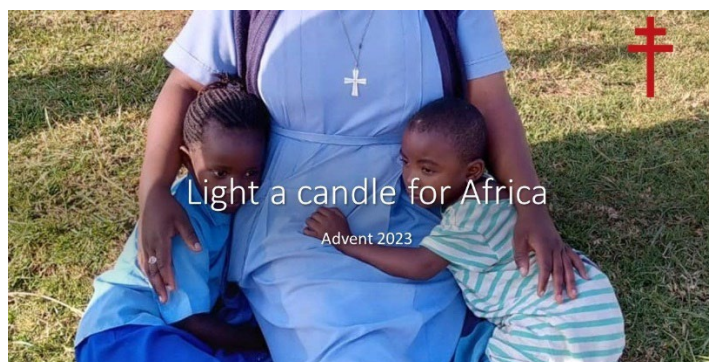


The weekly friendship group – CCC – in Colchester has also met regularly.

Social and pastoral care for our sisters in Africa

As the Community is part of a wider Association of Communities worldwide, the Charity has continued to have a special care for sisters based in the Democratic Republic of Congo and in Rwanda.

They are supported through prayer and material care with their basic needs. We also involve our many contacts in getting to know about the political and social situations in both countries, particularly through our annual Africa newsletter which is always well received.



The Christmas Giving scheme - Light a Candle for Africa - was run for the eighth year and again raised £1,442.50 for particular named projects in Africa.

The money raised through these small fundraising events is sent directly to the African Pories.

The projects supported this year have included: the health provision in Goma; a school in Rwanda for children and young people with physical disabilities; and a health centre care in Kindu – representative photos below.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral care for our sisters in Africa (continued)



FROM GOMA



FROM KINDU

Two of the Community travelled to Rwanda in July and saw projects first hand.

Two members of the Community were able to visit Africa in July and discussed the current situation and its needs.

There was a chance for shared liturgy and an update on the school funded by this Community in Rwanda.



SHARED LITURGY

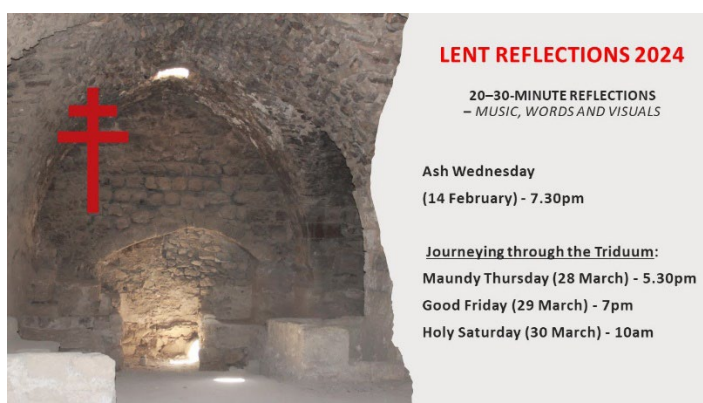


THE SCHOOL IN RWANDA

Objects, aims, objectives, activities and relevant policies (continued)

Finding opportunities to engage in reflection and discussion on spiritual questions

The Community continued to offer opportunities to pray and reflect together throughout the year. There are open prayer times four times a week. There is a weekly selection of readings and reflections sent every Saturday. During Advent and Lent there were reflective Zooms each week.



For four weeks during Lent there was an opportunity to follow a Lent course -Act on Poverty. Approximately 30 people registered for this course.



Objects, aims, objectives, activities and relevant policies (continued)

Finding opportunities to engage in reflection and discussion on spiritual questions (continued)

The theme for the year has been 'TODAY'S BIG QUESTIONS' when we have addressed some of the burning questions that trouble today's Christians:

We have examined difficult contemporary questions to do with migration; whether protest is a legitimate expression of Christian faith; how we manage and distribute the world's resources; and the problems that global conflict may pose for us.



We have run five main sessions this year with input from eminent personalities: Professor Tina Beattie; Professor Jessie Rogers; Christine Allen (CEO of Cafod); Melanie Nazareth (Christian Climate Change) and Megan Knowles (Jesuit Refugee Service) Each session was followed by a further session for discussion and reflection.

Plans have also been laid for leading a pilgrimage along St Patrick's Way after Easter 2025.



Objects, aims, objectives, activities and relevant policies (continued)

Finding opportunities to engage in reflection and discussion on spiritual questions (continued)

In April 2024 S Moira was installed as an Ecumenical Canon of the Anglican Cathedral of Chelmsford and was invited to preach on that occasion.



This was both a privilege and a momentous moment in the Community's 382 year history.

Our annual mass for the Dead in November at New Hall was extremely well attended and appreciated.



Objects, aims, objectives, activities and relevant policies (continued)

Work on our legacy

Doctor Cormac Begadon has been working further with the Community following archaeological discoveries made at the site of the last Community house in Liège from which the Community fled in 1794

On Friday 8 March 2024, Dr Cormac Begadon visited the Community in Colchester, to report back on the next stage of the excavations on the site where the Community had their house in Rue St Gilles.

Cormac had made a follow-up trip to Liège in December and was welcomed by the lead archaeologist, Guillaume Mora Dieu, and his colleague, Patricia Gillet. His talk gave an overview of the physical changes to the site and comment on what we can learn from these changes.

There followed an interesting article on the finds in the telegraph in June 2024.



Objects, aims, objectives, activities and relevant policies (continued)

Work on our legacy (continued)

The Trustees agreed some time ago to making a £1.2 million endowment to part fund a Chair in Catholic Studies at the Centre for Catholic Studies in Durham with the title of this Chair bearing the name of the Community Foundress. The discussions as to how and when to make this donation have been on-going with Durham, and the donation was made in November 2024. The Trustees believe that this Chair and its future will carry on the Community legacy well beyond the life of the sisters. A matched funder has been found and talks have gone on to establish a shared vision and way forward.

The Trustees used the services of Stone King to arrive at an acceptable agreement alongside four other major donors. The agreement was finalised in July and arrangements for transfer of funds made.

As reported last year, Trustees agreed to use the services of an experienced researcher to narrate all aspects of the last 35-40 years life of the Community. This work has continued through long in-depth conversations and dialogues and will continue through the coming year.

Good stewardship of land sale monies

The Trustees have made good progress in creating the structures needed for the long term stewardship and legacy of the Community. There are now three new CIOs funded from the CIO's money, namely the Cemetery CIO, OODIL and Elijah's Pot.

One of the remaining projects in the CRSS portfolio was the gateway of Hope project in Inglis Road Colchester.

Trustees have continued to work with the Ministry of Justice and with Essex CC to find an alternative service provider which could deliver within budget. Despite best endeavours on all sides this has not been achieved as basic calculations showed an annual deficit in running costs of £100k. This had not been the case at the outset of the project when projections of income and expenditure balanced. This being the case, the Trustees reluctantly made the decision to bring the project to an end.

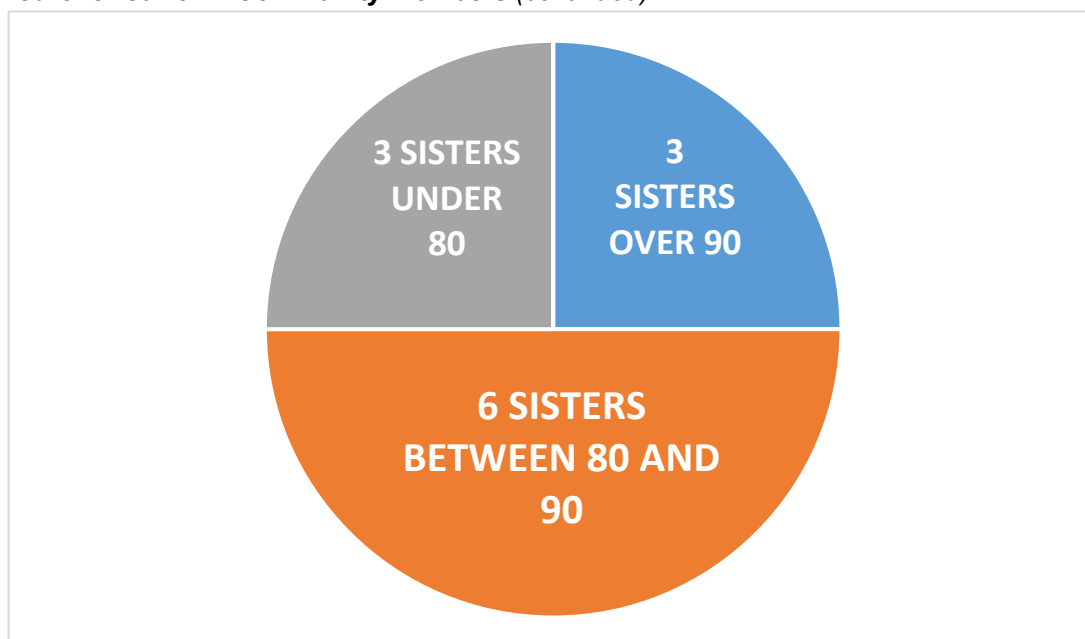
Advice was sought regarding the future of the building and a decision was taken to apply for permission to revert to single dwelling prior to resale. The property is currently on the market.

Care for our own Community members

In common with many Religious Orders and Congregations in England, the profile of our Community shows an increasing average age. Two elderly sisters have continued to need significant care and support. We have been well served by the National Health and local Care Services but have also felt the need to supplement that provision with further resources in order to give the fullest support and dignity to those two members of the Community. We have been engaged proactively in looking at how to meet welfare needs more fully going into the future.

Objects, aims, objectives, activities and relevant policies (continued)

Care for our own Community members (continued)



The Community is committed, both morally and legally, to provide care for all its sisters, none of whom has resources of her own. The Trustees are aware of the need to make provision for the future care of each sister and therefore continue to give careful attention to the Community's property requirements and financial needs both now and in the years ahead. The Trustees have continued to address the needs for good maintenance and repair for the properties already in their possession and occupied by the sisters. The Trustees are also conscious of the need to exercise good stewardship towards the planet and to leave a positive lasting legacy in favour of the environment.

During this last year, there has been a growing awareness of mobility and memory deterioration and this has meant looking at a full time Care manager position. In addition to general age related deterioration one sister had a serious fall which has left her with limited mobility. The Trustees have worked with the finance group to a further increased need for welfare support and this has been accounted for in the recommendations made by the finance committee to the Trustees.

One Trustees appointed Patrick Parsons to work as a second care support worker for two days a week alongside Linda Selway who works on three mornings a week. This has been a very helpful addition to the support staff and has given added security to Community members.

The Trustees agreed to the appointment of a full time Care Manager and this appointment was made in August 2024 with a probationary period of 6 months. It unfortunately became apparent that the person appointed did not meet the needs of the role and she terminated her employment with us in December. Trustees are currently working towards a further appointment.

Objects, aims, objectives, activities and relevant policies (continued)

Key staff appointments

The appointment of an Operations manager has been a key strategical development in the last year. Peter Twist has had responsibility for safeguarding as previously mentioned and also property maintenance and development.

This has meant that the main property in Colchester where the more frail sisters live is kept under review on a daily basis and Peter is able to make immediate adjustments as changing needs demand.

Peter has also been dealing with our rented properties in terms of their condition and also tenancy agreements.

He has been exploring development potential for our land at New Hall on behalf of the Trustees.

It is an important appointment which has already brought rewards.

Financial review

Market volatility

This is the fifth year wherein our reporting narrative and financial results have been significantly affected by external world circumstances and the consequent changes in stock market fortunes and the cost of living crisis experienced in the UK.

Our finance committee has guided us through the volatilities of the stock market in a very able way and our financial recovery has been good, aided by the careful realigning of our assets.

Whilst there will undoubtedly be challenges ahead, we do not expect material concerns to arise over the Charity's financial position.

Results for the year

A summary for the results of the year ended 30 September 2024 can be found on page 29 of the accounts.

Total income for the year amounted to £586,935 (2023 – £611,424). Of the income £174,502 (2023 – £210,92) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £136,270 (2023 – £125,628) covenanted to the Charity and a legacy in 2024 of £61,328. Investment income and interest receivable totalled £377,788 (2023 – £111,386).

Expenditure totalled £673,300 (2023 – £799,809). Donations payable totalled £18,910 (2023 – £328,027). Reduction in donations payable for the year ended 30 September 2024 is due to the donation to Korban of £250,000 in 2023 (2024 – £nil). Expenditure incurred on maintaining the members of the Community and supporting them in their pastoral work and ministry amounted to £589,149 (2023 – £430,330) and includes expenditure on governance of £16,200 (2023 – £15,620). Support costs have increased as result of maintenance costs and the hiring of an operations manager.

Financial review (continued)

Market volatility (continued)

During the year to 30 September 2024, gains of £681,389 (2023 –£281,433) arose on the Charity's listed investments reflecting the continued recovery in stock markets after the previous decline. Net income for the year and net increase in funds was £595,026 (2023 – £278,048).

Investment performance

The Charity's investments were held in income units in the year. During the year investments generated income of £191,654 (see note 2). This is consistent with the investments policy which aims to maximise returns through a diversified portfolio to provide income to the support the overall objectives of the charity.

Reserves policy and financial position

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the Charity's work, the level of free reserves should be approximately equal to two to three years' ongoing expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

The balance sheet shows total funds of £14,806,132 (2023 – £14,211,108). Of these funds, £100,057 (2023 – £96,515) are restricted and are to be applied for specific purposes. £2,710,138 (2023 – £2,760,412) are represented by freehold properties, excluding the property representing the Gateway of Hope designated fund, and other tangible fixed assets. A decision was made to separate these funds from the general fund in recognition of the fact that assets are used in the day-to-day work of the Charity or by organisations for charitable purposes in line with the Charity's objects, and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Funds totalling £9,050,000 (2023 – £9,550,000) have been designated, or set aside, by the Trustees for specific purposes. £5,750,000 (2023 – £5,750,000) has been set aside to meet the costs for the care and welfare of the sisters in their old age. The amount set aside has been calculated, using actuarial methods, to provide a modest sum towards the upkeep and care of the sisters in years to come.

Following the sale of the investment property comprising land at New Hall in October 2014, funds totalling approximately £12.5 million were set aside in a 'charitable donation fund' to be used to finance grants and donations including new charitable projects overseas. The balance on this fund at 30 September 2024 was £2,000,000 (2023 – £2,500,000). A balance of £1,300,000 remained on the designated Gateway of Hope fund, to make provision of housing for women in the Criminal Justice system. Further details about these funds are given in note 18 to the accounts.

Financial review (continued)

Reserves policy and financial position (continued)

Funds which are available to support the work of the sisters in the future are those shown on the balance sheet as the general fund and total £2,945,937 (2023 – £1,804,181). The Trustees believe that while slightly above the reserves policy these free reserves are adequate given current market volatility.

Future plans for the Charity and the Community

We see the need for an increased focus on the need for care of Community sisters in the year ahead. We aim at the same time to keep the Community as alive and engaged as possible in a holistic way. Within this context, the Community, supported by its Trustees, aims:

- ◆ To be of service in meeting local needs in the areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. Increasing age profile, decreasing number of Community members and greater frailty will necessarily reduce the extent of this outreach and will change its nature.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.
- ◆ To continue to engage people around us in reflective discussions on spiritual questions. For the coming year we have planned a programme exploring some of the difficult ethical and moral questions facing Christians today.
- ◆ To continue work on our legacy going into the long-term future. This will involve 'writing the final chapter' of our story with a researcher experienced in working with Religious Communities.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community. This will include the recruitment of further key welfare staff.

Structure, governance and management

The Charity is a Charitable Incorporated Organisation (CIO) governed by a Constitution dated and agreed by the trustees on 15 June 2016 and registered with the Charity Commission on 27 June 2016. The Constitution was amended on 30 March 2021.

Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

Structure, governance and management (continued)

Trustees

The names of the Trustees and details of changes during the year are given on page 1 of this annual report and accounts.

At any time there must be a minimum of three trustees. The Prioress for the time being is automatically, ex officio, a charity trustee for as long as she holds that office. The Conventual Chapter may appoint additional charity trustees by a resolution at a properly convened meeting of the Conventual Chapter for: (i) in the case of an individual who is a member of the Community for such period of office as the Conventual Chapter shall determine; and (ii) in all other cases for a term of three years or such other term as the Conventual Chapter shall decide.

Governance

In terms of Canon Law, the highest authority in the Community is the Conventual Chapter, which is made up of all the perpetually professed members of the Community. The Chapter elects a Prioress every 6 years and the Prioress is de facto a Trustee of the Charity. As is expected in the Community's Constitutions, Community members meet regularly as a full Chapter to reflect on the mission and to examine the life style and finances of the Community. Community members are involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Our finance assistant is now the clerk to the Trustees and last year attended the Provincial Bursars' Conference and cascaded back to the Trustees on the following:

- ◆ Climate issues
- ◆ Employment law
- ◆ Disaster planning
- ◆ Cyber security

During the year, the Conventual Chapter voted to accept a further lay Trustee onto the board, Mrs Christine Webb a former member of the teaching staff at New Hall, was invited to become a Trustee and she accepted.

Organisational Management

In terms of Civil Law, the Trustees of the Charity, are legally responsible for the overall management and accounting of the Charity and for safeguarding the assets of the Charity. They receive no remuneration or expenses for their service as Trustees. The Trustees meet once a month on average to review developments within the Charity, and to take decisions. The Trustees are supported by professional advisers, the most significant of these in daily management terms being our lay financial administrator. Other professionals, including investment managers, solicitors, and auditors are consulted as appropriate. Trustees have delegated responsibilities and try to keep updated within their areas on recommended best practice regarding appropriate policy requirements.

Structure, governance and management (continued)

Organisational Management (continued)

The Community is involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Risk Management

The Trustees recognise their responsibility for the management of risks faced by the Charity, the Community and its individual members.

We continue to review and update our risks as well as the documents and procedures put in place the previous year under the guidance of our Operations Manager.

The areas identified for particular attention within our risk management strategy are:

- ◆ Governance and management
- ◆ Maintenance and Health and Safety
- ◆ Financial
- ◆ Litigation
- ◆ Reputational

The Trustees have continued to operate within the key areas of risk controls which include:

- ◆ Regular and frequent meetings of the Trustees with formal agendas and minutes;
- ◆ Comprehensive strategic planning, budgeting and management accounting;
- ◆ Established organisational structures and lines of accountability;
- ◆ Regular meetings with professional advisors to whom all our business is transparent;
- ◆ Establishing a clear authorisation and approved levels of decision-taking and spending; and
- ◆ Putting in place vetting procedures required by law for the protection and safeguarding of the vulnerable.

Time-frames exist for the annual monitoring of the risk assessments.

Structure, governance and management (continued)

Risk Management (continued)

The key risks which faced the Charity during the year are as follows:

- ◆ An analysis of the age profile of the members of the Community shows that the average age in the Community at 30 September 2024 was in excess of 80 years. The Trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the Charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally the Charity works with children and vulnerable adults including older people. The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the Charity serves. This means that Sisters engaged in any ministry and all those who work or volunteer for the Charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The Trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA).
- ◆ The Charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investments are monitored closely by the Finance Committee who meet regularly and adopt a pro-active position to change. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs both now and in the future. The Trustees meet with the Chair of the Finance Committee for regular updates. We have worked closely with our finance group and investment managers to ensure that as far as we are able, we do not invest in ways which impact negatively on the environment.

Structure, governance and management (continued)

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity of the incoming resources and application of resources of the Charity for that period. In preparing these accounts, the Trustees are required to:

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

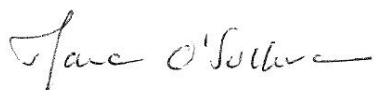
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions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

Key management personnel

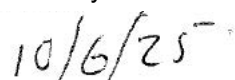
The Trustees consider that they comprise the key management of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis.

Certain of the Trustees are members of the Community whose living and personal expenses are borne by the Charity. None of the Trustees receive any remuneration or reimbursement of expenses in connection with their duties as Trustees or key management personnel.

Signed on behalf of the Trustees:



Approved by the Trustees on:



Independent auditor's report to the Trustees of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord

Opinion

We have audited the accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the 'Charity') for the year to 30 September 2024, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 30 September 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 requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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 trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient and proper accounting records have not been kept; or
- ◆ the accounts 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 Trustees' responsibilities statement, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

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

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011); and
- ◆ We understood how the Charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of Trustees' meetings.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
- ◆ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◆ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◆ Identifying and testing journal entries;
- ◆ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Performed substantive testing on expenditure; and
- ◆ Tested journal entries to identify unusual transactions.

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

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

- ◆ Reading the minutes of meetings of those charged with governance; and
- ◆ Enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with 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.



Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

2 July 2025

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

Statement of financial activities Year to 30 September 2024

	Notes	2024 Unrestricted funds £	2024 Restricted funds £	2024 Total funds £	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £
Income from:							
Donations and legacies	1	147,033	27,469	174,502	187,310	23,611	210,921
Income from charitable activities		30,384	—	30,384	29,130	—	29,130
Other trading activities		2,861	—	2,861			
. Fundraising events		—	—	—	3,566	506	4,072
Investments and interest receivable	2	377,788	—	377,788	111,386	—	111,386
Other sources		—	—	—			
. Miscellaneous income		—	—	—	151	—	151
. Surplus on disposal of tangible fixed assets		1,400	—	1,400	255,764	—	255,764
Total income		559,466	27,469	586,935	587,307	24,117	611,424
Expenditure on:							
Raising funds	3	65,241	—	65,241	41,452	—	41,452
Charitable activities							
. Grants, donations and support of missionary work and ministry	4	18,910	—	18,910	276,250	51,777	328,027
. Support of members of the Community and their ministry	5	581,610	7,539	589,149	418,393	11,937	430,330
Total expenditure		665,761	7,539	673,300	736,095	63,714	799,809
Net expenditure before investment gains (losses)	8	(106,295)	19,930	(86,365)	(148,788)	(39,597)	(188,385)
Net gains on revaluation of investment properties	12	—	—	—	185,000	—	185,000
Net gains (losses) on listed investments	12	681,389	—	681,389	281,433	—	281,433
Net income (expenditure) before transfers		575,094	19,930	595,024	317,645	(39,597)	278,048
Transfers between funds		16,388	(16,388)	—	—	—	—
Net income (expenditure) and net movement in funds		591,482	3,542	595,024	317,645	(39,597)	278,048
Reconciliation of funds:							
Total funds brought forward at 1 October 2023		14,114,593	96,515	14,211,108	13,796,948	136,112	13,933,060
Total funds carried forward at 30 September 2024		14,706,075	100,057	14,806,132	14,114,593	96,515	14,211,108

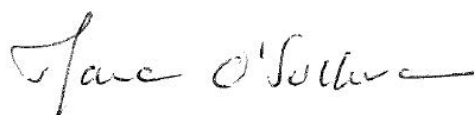
All recognised gains and losses are included in the above statement of financial activities.

All of the Charity's activities derived from continuing activities in each of the above two financial years.

Balance sheet 30 September 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	11		3,621,760		3,665,880
Investments	12		11,098,258		10,560,361
Programme related investments	13		—		—
			14,720,018		14,226,241
Current assets					
Debtors	14	75,766		38,950	
Cash at bank and in hand		202,629		155,998	
		278,395		194,948	
Current liabilities					
Creditors: amounts falling due within one year	15	(192,281)		(210,081)	
Net current liabilities			86,114		(15,133)
Total net assets			14,806,132		14,211,108
The funds of the Charity:					
Unrestricted income funds					
. General fund			2,945,937		1,804,181
. Tangible fixed assets fund	16		2,710,138		2,760,412
. Programme related investments fund	17		—		-
. Designated funds	18		9,050,000		9,550,000
			14,706,075		14,114,593
Restricted funds	19		100,057		96,515
			14,806,132		14,211,108

Approved by the Trustees
and signed on their behalf by:



Trustee

Approved on:

10/6/25

Statement of cash flows Year to 30 September 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(439,443)	(359,763)
Cash flows from investing activities:			
Investment income		336,392	111,135
Purchase of tangible fixed assets		(6,954)	(6,052)
Proceeds from the disposal of tangible fixed assets		1,400	553,052
Proceeds from the disposal of listed investments		7,516,334	—
Purchase of investments		(6,967,783)	—
Net cash provided by investing activities		879,389	658,135
Change in cash and cash equivalents in the year		439,946	298,372
Cash and cash equivalents at 30 September 2023		2,645,025	2,346,653
Cash and cash equivalents at 30 September 2024	B	3,084,971	2,645,025

Notes to the statement of cash flows for the year to 30 September 2024

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

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)		
Adjustments for:	595,024	278,048
Depreciation charge	51,074	57,833
(Gains) losses on listed investments	(681,389)	(281,433)
Gains on revaluation of investment properties	—	(185,000)
Non cash donations (2023: write off of loan (Notes 4 and 13))	—	250,000
Surplus on disposal of tangible fixed assets	(1,400)	(255,764)
Investment income and interest receivable	(377,788)	(111,386)
Decrease (increase) in debtors	4,581	(2,205)
(Decrease) increase in creditors	(29,545)	(109,856)
Net cash used in operating activities	(439,443)	(359,763)

B Analysis of cash and cash equivalent

	At 1 October 2023	Cash flows	At 30 September 2024
Cash at bank and in hand	155,998	46,631	202,629
Cash instruments - COIF Charities deposit fund	2,489,027	395,510	2,884,537
Cash held by investment managers	—	—	—
Total cash and cash equivalents	2,645,025	442,141	3,087,166

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 30 September 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 September 2024, with comparative information given in respect to the year to 30 September 2023.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

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

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

- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of determining the depreciation charge; and
- ◆ Determining the value of the designated funds needed at the year end and, in particular, estimating the size of the retirement reserve created in order to provide for the continuing care of the members of the Community for the remainder of their lives;

Assessment of going concern

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

The trustees acknowledge and recognise the impact of the macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the Charity is a long term investor. The Charity's Trustees keep a watching brief over the markets.

Undoubtedly there will be challenges ahead but the Trustees do not expect material concerns to arise over the Charity's financial position or going concern. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income

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

Income comprises donations, legacies, income from other trading activities i.e. fundraising events, investment income, interest receivable and income from other sources, including any surplus on disposal of tangible fixed assets.

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

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably or the Charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

Income from charitable activities includes rental income from property rented to individuals whose needs fall within the Charity's objectives,

Income from small scale fundraising events is accounted for when the Charity has confirmation of the amount due and receipt of the funds is probable. This will normally be on the date of the relevant fundraising event itself.

Investment income is recognised once the dividend or similar distribution has been declared and notification has been received of the amount due.

Income (continued)

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

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

All other income is recognised to the extent that it is probable that the economic benefits will flow to the Charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

The costs of raising funds include direct costs and overheads associated with managing investment property, managing listed investments, and organising small scale fundraising activities.

The costs of charitable activities comprise expenditure on the Charity's primary charitable purposes as described in the Trustees' report. Such costs include:

- ◆ Grants, donations and support of missionary work and ministry
Grants, donations and support of missionary work and ministry relates to the support of work overseas carried out by Communities of sisters with which the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is associated and the support of other charitable organisations with objectives consistent with those of the Charity.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise both single year payments and multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants meeting this criteria but which are not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.
- ◆ Support of members of the Community and their ministry
This comprises expenditure incurred on the maintenance, living and personal expenses of members of the religious community.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs are the costs associated with the governance arrangements of the Charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Community and enabling their ministry, with a small proportion allocated to expenditure on raising funds and provision of donations and grants. The allocation is based on the time spent on individual activities.

Tangible fixed assets

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

◆ Land and buildings

◇ Non-specialised property

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and buildings are included in the accounts at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the Trustees, who are satisfied that their residual value is not materially less than their book value.

◇ Specialised property

Specialised buildings comprise the Charity's large residential convent and Inglis Road which are included in the accounts at cost. Depreciation is provided at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the Charity. No depreciation is charged until a property is brought into use.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated 25% per annum on cost in order to write off each asset over its estimated useful life.

◆ Furniture, fittings, equipment and computers

Furniture, fittings, equipment and computers are capitalised and depreciated at rates between 6.67% and 33.33% per annum on cost in order to write off each asset over its estimated useful life.

Fixed asset investments

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

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

Fixed asset investments (continued)

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

Investment property, comprising land and buildings, is included in the accounts at fair value which is deemed to be open market value as at the year end date as determined by the Trustees after seeking appropriate professional advice (see note 11 to these accounts for further details).

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

Programme related investments

Programme related investments comprised a loan to another organisation to finance the purchase of land, in order to be used for purposes consistent with the Charity's objectives. Further details are given in note 14 to the accounts.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit with the intention that it is held for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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

Fund structure

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

Fund structure (continued)

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

The programme related investment fund represented the net book value of the Charity's programme related investments.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds represent monies raised for a specific purpose or monies subject to donor imposed restrictions.

Details of designated and restricted funds are given in the notes to the accounts.

Pension costs

The Charity offers its employees membership of a defined contribution pension scheme administered by Legal and General.

Employer's contributions in respect to defined contribution pension schemes are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Community

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

1 Income from: Donations and legacies

	2024			2023		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	136,270	—	136,270	125,628	—	125,628
Voluntary income – Greenstead project	—	—	—	—	200	200
Voluntary income – Melbourne Project	—	18,123	18,123	—	10,196	10,196
Other donations and similar income	10,763	9,346	20,109	354	13,215	13,569
Legacies receivable	—	—	—	61,328	—	61,328
	147,033	27,469	174,502	187,310	23,611	210,921

2 Income from: Investments and interest receivable

	2024			2023		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Interest on cash instruments	141,629	—	141,629	69,723	—	69,723
Rental income from investment properties	40,675	—	40,675	31,759	—	31,759
Interest receivable	3,830	—	3,830	7,716	—	7,716
Investment income from income units	191,654	—	191,654	—	—	—
Income from programme related investments	—	—	—	2,188	—	2,188
	377,788	—	377,788	111,386	—	111,386

3 Expenditure on: Raising funds

	2024			2023		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Rental property expenses	14,965	—	14,965	26,272	—	26,272
Investment management fees	—	—	—	(701)	—	(701)
Activities for generating funds	1,861	—	1,861	1,383	—	1,383
Allocation of support costs (note 6)	48,415	—	48,415	14,498	—	14,498
	65,241	—	65,241	41,452	—	41,452

4 Expenditure on: Grants, donations and support of missionary work and ministry

	2024			2023		
	Un-restricted funds £	Restricted funds £	Total funds £	Un-restricted funds £	Restricted funds £	Total funds £
Support of missionary work and ministry						
. Grants in support of overseas missions	360		360	—	50,837	50,837
Donations of £1,000 or more to institutions						
. CAFOD	1,540	—	1,540	3,910	140	4,050
. Art for Becton	—	—	—	1,000	—	1,000
. Colchester Korban Project	—	—	—	250,000	—	250,000
	1,540		1,540	254,910	140	255,050
Other donations to institutions	1,261		1,261	700	800	1,500
Donations to individuals	—	—	—	294	—	294
Allocation to support costs (note 6)	15,749	—	15,749	20,346	—	20,346
	18,910	—	18,910	276,250	51,777	328,027

No Donations were made to individuals (2023 – 2).

The Trustees agreed to make a £1.2 million endowment to part fund a Chair in Catholic Studies at the Centre for Catholic Studies in Durham with the title of this Chair bearing the name of the Community Foundress. The discussions as to how and when to make this donation have been on-going with Durham, and the donation was made in November 2024.

5 Expenditure on: Support of members of the Community and their ministry

	2024			2023		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Premises	120,223	—	120,223	97,613	—	97,613
Depreciation	51,074	—	51,074	57,833	—	57,833
Living and personal expenses	72,994	—	72,994	66,137	—	66,137
Healthcare costs	34,670	—	34,670	66,608	—	66,608
Retreats, spiritual direction, formation and other similar expenses	2,463	—	2,463	2,213	—	2,213
Melbourne Project	—	7,539	7,539	—	11,634	11,634
Greenstead Project	—	—	—	—	303	303
Allocation of support costs (note 6)	300,186	—	300,186	127,989	—	127,989
	581,610	7,539	589,149	418,393	11,937	430,330

Notes to the accounts Year to 30 September 2024

6 Support costs

	2024			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (note 9)	28,734	4,481	239,192	272,407
Other costs	4,005	625	33,338	37,968
Professional fees	11,626	7,403	18,746	37,775
Governance costs (note 7)	4,050	3,240	8,910	16,200
	48,415	15,749	300,186	364,350

	2023			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (note 9)	4,714	4,714	80,473	89,901
Other costs	1,346	1,346	22,972	25,664
Professional fees	4,623	11,234	16,151	32,008
Governance costs (note 7)	3,815	3,052	8,393	15,260
	14,498	20,346	127,989	162,833

The Charity has allocated its support costs on a basis consistent with the use of resources.

7 Governance costs

	Unrestricted funds £	Restricted funds £	2024 Total funds £	Unrestricted funds £	Restricted funds £	2023 Total funds £
Professional fees	16,200	—	16,200	15,260	—	15,260

8 Net income (expenditure) and net movement in funds

This is stated after charging:

	2024 £	2023 £
Staff costs (note 9)	272,407	89,901
Depreciation	51,074	57,833
Auditor's remuneration (including VAT)		
. Statutory audit current year	16,200	14,000
. Statutory audit prior year	—	1,260

Notes to the accounts Year to 30 September 2024

9 Staff costs and key management personnel

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	157,729	83,347
Social security costs	8,325	2,401
Other pension costs	6,801	4,153
	172,855	89,901
Agency Staff	99,552	—
	272,407	89,901

The number of employees during the year was as follows:

	2024 No.	2023 No.
Support of members of the Community and their ministry	—	—
. Average	4.9	3.0
. Full time equivalent	5.2	1.8

No employee earned £60,000 per annum or more (including taxable benefits) during the year to 30 September 2024 and 2023.

The Trustees of the Charity comprise the Charity's key management personnel. They received no remuneration in connection with their duties as Trustees or their role as key management personnel during the year (2023 – none).

10 Taxation

The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is a registered Charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Land and buildings		Furniture, fittings, equipment & computers	Motor vehicles	2024 Total
	Specialised property £	Non-specialised property £	£	£	£
Cost					
At 1 October 2023	3,041,929	1,243,354	34,191	64,523	4,383,997
Additions	6,954	—	—	—	6,954
Disposals	—	—	—	(6,145)	(6,145)
At 30 September 2024	<u>3,048,883</u>	<u>1,243,354</u>	<u>34,191</u>	<u>58,378</u>	<u>4,384,806</u>
Depreciation					
At 1 October 2023	638,592	5,312	27,727	46,486	718,117
Charge for the year	42,729	—	1,508	6,837	51,074
Released on disposal	—	—	—	(6,145)	(6,145)
At 30 September 2024	<u>681,321</u>	<u>5,312</u>	<u>29,235</u>	<u>47,178</u>	<u>763,046</u>
Net book values					
At 30 September 2024	<u>2,367,562</u>	<u>1,238,042</u>	<u>4,956</u>	<u>11,200</u>	<u>3,621,760</u>
At 30 September 2023	<u>2,403,337</u>	<u>1,238,042</u>	<u>6,464</u>	<u>18,037</u>	<u>3,665,880</u>

Land and buildings include a property subject to a long lease originally of 150 years, commencing on 1 March 2007. The net book value of this property at 30 September 2024 and 2023 was £202,410. All other land and buildings owned during the year were freehold.

It is likely that there are material differences between the open market values of the Charity's land and buildings and their book values. These arise from the specialised nature of the property and the effects of inflation. The amount of such differences cannot be ascertained without incurring cost, which, in the opinion of Trustees, is not justified in terms of the benefit to the users of the accounts. However, they are satisfied that their residual value is not materially less than their book value.

12 Fixed asset investments

	Investment properties £	Listed investments £	2024 Total £	2023 Total £
Market values				
At 1 October 2023	1,355,000	6,716,334	8,071,334	12,080,247
Disposal of accumulation units	—	(6,716,334)		
Addition of income units	—	6,716,334		
Additions at cost	251,449		251,449	—
Disposals (see below)	—	(533,755)	(533,755)	—
Transferred to Elijah's Pot CIO (Charity Registration Number 1195718)	—	—	—	(4,483,313)
Net unrealised investment gains (losses)	—	424,690	424,690	474,400
At 30 September 2024	<u>1,606,449</u>	<u>6,607,269</u>	<u>8,213,718</u>	8,071,334
COIF Charities deposit fund (cash instrument)	—	2,884,540	2,884,540	2,489,027
Cash held by investment manager for reinvestment	—	—	—	—
Total investments at 30 September 2024	<u>1,606,449</u>	<u>9,491,809</u>	<u>11,098,258</u>	10,560,361
Cost of investments at 30 September 2024	<u>545,707</u>	<u>5,303,327</u>	<u>5,849,034</u>	5,841,479

12 Fixed asset investments (continued)

Disposals at book value included above are made up of the following:

	2024 £	2023 £
Proceeds	800,000	—
Realised losses	(266,245)	—
Disposals at book value	533,755	—

Investment properties

The investment property comprises four residential properties:

- ♦ A farmhouse, barn and adjoining land which was valued at £375,000 by the Trustees based on indicative market values but subject to life tenancy at a peppercorn rent, using information provided by Elwell Taylor, Chartered Surveyors on 10 October 2023.
- ♦ Three residential properties which were revalued on an open market value basis on 10 October 2023 by the Trustees based on indicative market values provided by Elwell Taylor, Chartered Surveyors. The market values of these properties were £980,000 as at that date.
- ♦ One new investment property was purchased in year. The property is a bungalow that will be rented out, generating rental income for the Charity. At 30 September 2024 the property is valued at £252,000. The valuations is equal to the cost of the property.

Listed investments

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

At 30 September 2024, listed investments and cash held by investment managers for reinvestment included £142,424 (2023 – £185,878) representing amounts administered on behalf of individual members of the Community (note 15). Included within the net gains on investments for the period are net gains of £9,031 relating specifically to these investments (2023 – net gains of £7,967). The net gains are reflected in the amount due to individual members of the Community and hence they are not accounted for through the statement of financial activities.

13 Programme related investments

At 30 September 2024, the Charity held investments which were held directly in pursuit of the organisation's charitable activities as follows:

	2024 £	2023 £
At 1 October 2023	—	250,000
Released following conversion to a donation in the year	—	(250,000)
At 30 September 2024	—	—

During the year to 30 September 2018, the Charity advanced a loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to assist in purchasing a property. This property was to be used to provide shelter to young homeless adults, a purpose consistent with the Charity's objects. The loan was secured by a charge over the property and is subject to a fixed interest rate of 3.5% and was repayable by December 2027.

The Trustees decided in January 2023 to convert the loan into a gift. This gift was disclosed as a donation in year ended 30 September 2023.

14 Debtors

	2024 £	2023 £
Investment income and interest receivable	58,482	17,901
Sundry debtors	3,124	4,388
Prepayments	14,160	16,661
	75,766	38,950

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Monies administered by the Charity on behalf of individual members of the religious Community	142,424	185,878
Expense creditors	33,237	10,203
Accruals	16,620	14,000
	192,281	210,081

Monies administered by the Charity on behalf of individual members of the religious Community comprise listed investments.

16 Tangible fixed assets fund

	2024 £	2023 £
At 1 October 2023	2,760,412	3,101,027
Net movement in the year	(50,274)	(340,615)
At 30 September 2024	2,710,138	2,760,412

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

17 Programme related investment fund

	2024 £	2023 £
At 1 October 2023	—	250,000
Net movement in the year	—	(250,000)
At 30 September 2024	—	—

The programme related investment fund represented the value of the Charity's programme related investments. Whilst they existed, their value was not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

18 Designated funds

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for a specific purpose:

	At 1 October 2023 £	New designations £	Utilised/ released £	At 30 September 2024 £
Charitable donation fund	2,500,000	—	(500,000)	2,000,000
Gateway of Hope fund	1,300,000	—	—	1,300,000
Sisters' retirement fund	5,750,000	—	—	5,750,000
	9,550,000	—	(500,000)	9,050,000

	At 1 October 2022 £	New designations £	Utilised/ released £	At 30 September 2023 £
Charitable donation fund	3,150,180	—	(650,180)	2,500,000
Gateway of Hope fund	1,300,000	—	—	1,300,000
Sisters' retirement fund	5,450,000	300,000	—	5,750,000
	9,900,180	300,000	(650,180)	9,550,000

18 Designated funds (continued)

♦ Charitable donation fund

The charitable donation fund comprises assets set aside with the broad intention of using them to finance grants and donations to third parties both within the UK and overseas. This fund was set up with the unspent proceeds receivable from investment land which was sold in October 2014. The monies were invested to generate funds and are being applied as grants and donations.

♦ Gateway of Hope fund

The Trustees have set aside £1.3m to fund a project to provide housing for women in the criminal justice system. Part of the funds have been used to purchase a property which, following the granting of planning permission for change of use, may be used for this purpose.

♦ Sisters' retirement fund

The Sisters' retirement fund represents monies set aside to make provision for the support of the Religious in their retirement and to support their ministries. The value of the fund has been calculated using actuarial methods, to provide a modest sum towards the upkeep and care of the Sisters in years to come.

19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trusts to be applied for specific purposes.

	At 1 October 2023 £	Income £	Expenditure £	Transfers £	At 30 September 2024 £
Melbourne Project fund	55,990	18,123	(7,539)	—	66,574
Greenstead Project fund	37,714	—	—	(16,388)	21,326
Overseas Missions fund	2,811	9,346	—	—	12,157
	96,515	27,469	(7,539)	(16,388)	100,057

	At 1 October 2022 £	Income £	Expenditure £	Transfers £	At 30 September 2023 £
Melbourne Project fund	57,428	10,196	(11,634)	—	55,990
Greenstead Project fund	37,817	200	(303)	—	37,714
Overseas Missions fund	20,611	—	(17,800)	—	2,811
Other restricted funds	20,256	13,721	(33,977)	—	—
	136,112	24,117	(63,714)	—	96,515

The Melbourne Project fund and the Greenstead Project fund comprises monies received specifically for the support of community-led activities in Melbourne (Chelmsford) and Colchester respectively.

The Overseas Missions fund comprises monies received specifically for the support of the members of the Community and their missionary work in Africa.

Other restricted funds comprise monies received for several specific purposes.

20 Analysis of net assets between funds

Fund balances at 30 September are represented by:

	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2024 £
Tangible fixed assets	—	2,710,138	911,622	—	3,621,760
Investments	2,959,880	—	8,138,378	—	11,098,258
Net current (liabilities) assets	(13,943)	—	—	100,057	86,114
Total net assets	2,945,937	2,710,138	9,050,000	100,057	14,806,132

	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2023 £
Tangible fixed assets	—	2,760,412	905,468	—	3,665,880
Investments	1,915,829	—	8,644,532	—	10,560,361
Net current (liabilities) assets	(111,648)	—	—	96,515	(15,133)
Total net assets	1,804,181	2,760,412	9,550,000	96,515	14,211,108

The total unrealised gains as at 30 September 2024, constituted movements on revaluation and were as follows:

	2024 £	2023 £
Total unrealised gains included above:		
On listed investments	1,303,942	1,169,113
On investment properties	1,060,742	1,060,742
	2,364,684	2,229,855
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 October 2023	2,229,855	1,360,626
On disposal of investments	—	—
On transfer of investments	(289,861)	394,829
Net gains (losses) arising on revaluation of listed investments in the year	424,690	289,400
Net gains arising on revaluation of investment properties in the year	—	185,000
Total unrealised gains at 30 September 2024	2,364,684	2,229,855

20 Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

21 Related party transactions

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant. During the year, the total amount donated by the Trustees who were members of the Community to the Charity was £26,362 (2023 – £35,308).

Sister Moira O'Sullivan is also a Trustee of a Charitable Incorporated Organisation, Elijah's Pot CIO incorporated on 6 September 2021 Charity Registration Number 1195718. Elijah's Pot CIO is a grant-making charity that supports those that are disadvantaged, oppressed or discriminated against in the UK and elsewhere. During the year ended 30 September 2024 the Charity made a donation of £nil (2023 - £nil).

Sister Moira O'Sullivan, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, OODIL CIO incorporated on 9 December 2019 Charity Registration Number 1186851. OODIL's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford, the town of Colchester. During the year to 30 September 2024 the Charity donated £nil (2023 – £2,000) to OODIL CIO.

Sister Margaret Mary Horton, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO, incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £nil (2023 – £800) to The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest (note 4).

During the year, the husband of Mrs Sheila Alder, a trustee of the Charity, provided consultancy services to the Charity in return for fees totalling £5,280 (2023 – £14,680). In addition, he was reimbursed £270 (2023 – £862) for out-of-pocket expenses.

During the year the year travelling expenses of £645 were reimbursed to two trustees (2023 - £240).

There were no other related party transactions requiring disclosure (2023 – £nil).

22 Post Balance Sheet events

On 29 November 2024 a grant of £1.2m was paid to the University of Durham. The grants purpose is to establish the Chair in Catholic Studies at the University of Durham, the aim being to support the advancement of the education of students at the University of Durham and the general public for the public benefit in the Catholic faith and Catholic theology, through the work of the Centre for Catholic Studies as part of the Department of Theology and Religion at the University of Durham (the Centre for Catholic Studies).

There were no other post balance sheet events requiring disclosure.

Accounts

**The Charity
of the Regular
Canonesses of the
Order of the Holy
Sepulchre
of Our Lord**

Annual Report and Accounts

30 September 2023

Charity Registration Number
1167869

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

Trustees	Sister Moira O'Sullivan CRSS – Chair (ex-officio) Mrs Sheila Alder Ms Grainne Gilmore (from January 2023) Sister Margaret Mary Horton CRSS (from March 2023) Sister Teresa Ann Hughes CRSS Mrs Jane Swadling Mr John Graham Tomlins
Prioress	Sister Moira O'Sullivan CRSS
Bursar	Sister Mary Christina Birmingham CRSS
Financial administrator	Mrs Anne Bray
Principal address	74 Howe Close Colchester Essex C04 3XD
Telephone	01206 867296
Charity (CIO) registration number	1167869
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Reliance Bank Limited Faith House 23-24 Lovat Lane London EC3R 8EB

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

Investment advisers/ managers	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET
	Sarasin and Partners LLP (until 1 October 2022) Juxon House 100 St. Paul's Churchyard, London EC4M 8BU
	James Hambro & Partners (until 1 October 2022) 45 Pall Mall London SW1Y 5JG
Land agents	Savills Parkview House Victoria Road South Chelmsford CM1 1BT
Solicitors	Howes Percival Solicitors The Guildyard 51 Colegate Norwich NR3 1DD
	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Conveyancers	Dyer and Crowe Limited 22 Duke Street Chelmsford CM1 1HL

The Trustees present the annual report and accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the "Charity") (the CIO) for the year ended 30 September 2023.

The report includes details of the works and aspirations of the Community of the Regular Canonesses of the Holy Sepulchre of Our Lord in England (the "Community") comprising 12 members being the one autonomous Community in England and part of an international Roman Catholic Religious Order which began in the 12th century.

The accounts accompanying this report are the accounts of the Charitable Incorporated Organisation (CIO) which is registered with the Charity Commission under Charity Registration Number 1167869 through which the assets of the Community in England are administered. The accounts have been prepared in accordance with the accounting policies set out on pages 28 to 34 of the attached accounts and comply with the Charity's Constitution, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objects, aims, objectives, activities and relevant policies

Charitable objects and aims

The Charity's objects, as set out in its Constitution, are in connection with the Roman Catholic Religion, carried out in ways and places chosen by the Trustees.

Within these charitable objects, the Charity has sought:

- ◆ To continue to be alert and active in meeting local needs in the areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. Increasing age profile, decreasing number of Community members and greater frailty will necessarily reduce the extent of this outreach.
- ◆ To bring the Gateway of Hope project to a conclusion.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.
- ◆ To continue to engage people around us in reflective discussions on spiritual questions.
- ◆ To continue work on our legacy going into the long-term future. This has included: working to finalise arrangements for establishing the Chair in Catholic Studies at Durham and beginning to 'write the final chapter' of our story with a researcher experienced in working with Religious Communities.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community.

Objects, aims, objectives, activities and relevant policies (continued)

Principal activities during the year

The Charity has continued to live according to its Constitution and Spirituality, within the increasingly restricted possibilities of an ageing Community.

Some of the aims of the Charity have been met in a more limited way than previously and Zoom remains a key means of reaching out to others for those of the Community who are physically restricted.

The aims outlined above regarding Gateway of Hope and the Durham Chair remain but their realisation has been held up by unexpected obstacles which will be explained below.

Volunteers

Throughout the year, members of the Community have given their time in a voluntary capacity to assist people who are in need. Almost all this work comes with no financial reward but contributes significantly to the overall objectives of the Charity. The work has been adapted to match the changing capacities and needs of the Community, but has continued to involve the following, albeit in a more measured way: education, spiritual guidance, parish work, local community outreach. In addition, some sisters are involved in the administration of the Charity.

We are equally aware that the Charity's activities only function so well as a result of the many volunteers who give their time generously to further the objectives of the Charity. This includes those who support our outreach and also those who are part of our advisory groups supporting the Charity administration.

Conscious that we wish to report on the Community's voluntary work at the level of the minimum wage, we have tried to give some overall sense this year of what that contribution is currently, from both Community members and volunteers.

We have estimated that on average we could claim that 80 hours a week voluntary work has been done on behalf of the Charity either by Community members or by our volunteers. The minimum living wage for 2023/24 was £10.42 per hour. This amounts to over £800 a week of time voluntarily given to build up our local communities and support those in the greatest need.

We have made the change over to the new safeguarding services for Religious and are members of both Religious Life Safeguarding Service (RLSS) and Catholic Safeguarding Standards Agency (CSSA). The checks for our volunteers are up to date.

This is our sixth year of working with a finance committee and the input of members has been key to our remaining in a relatively good financial position despite the downturns due to the increased cost of living as a result both of the pandemic and the war in Ukraine.

Objects, aims, objectives, activities and relevant policies (continued)

Protection of Children and Vulnerable Adults

The Trustees recognise the absolute necessity of ensuring the protection and safety of all those people whom the Charity serves. All the sisters who are involved in any kind of ministry have been checked by the Disclosure and Barring Service (DBS), as have all the adult volunteers. The Trustees are committed to the implementation of all the policies and procedures proposed by RLSS and CSSA.

We have a written policy for safeguarding our vulnerable beneficiaries, and that there have been no serious incidents in respect to safeguarding to report during this last year.

Public benefit

All the Trustees are conversant with the Charity Commission's guidelines concerning Charities and Public Benefit and have given consideration to them when assessing our activities. We therefore believe that we have complied fully with the duty in Section 4 of Part 1 of the Charities Act 2011 to have due regard to the Public Benefit guidance published by the Commission.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The Charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of professional fundraisers.

We have effectively sought to monitor and assess the good use of monies given during the year through the hard and focussed work of one of the Trustees who has this as her particular responsibility.

The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the Charity received no complaints about its fundraising activities.

Investment policy

There are no restrictions on the Charity's power to invest. At 30 September 2023, the Charity's investments were managed by CCLA. The investment strategy is set by the Trustees with advice from their investment managers. It takes into account the Charity's income requirements for the year, the risk profile and the investment managers' views of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income as advised by the Trustees from time to time. The Trustees also have an Ethical Policy which precludes investment in any company, which after reasonable enquiry, clearly generates significant profits from an activity which is contrary to the objectives of the Catholic Church. This policy has been reviewed and updated during the year past.

The performance of the portfolios and the Charity's investment strategy are reviewed by the Trustees whose representatives meet with the investment managers on a regular basis.

Objects, aims, objectives, activities and relevant policies (continued)

Grants, donations and support of missionary work and ministry

The Charity has handed its major regular financial support of the African Priorities to its legacy charity Elijah's Pot CIO (Charity Registration Number 1195718).

Any donations or fundraising done through this Charity is sent directly to the nominated African project.

Whilst the Trustees give donations to United Kingdom organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Social and pastoral work of the Community

The Community has continued its active ministry as far as possible. Our particular Ministries are chosen as expressions of the Community's spirituality and charism, and stem directly from the essence of the identity as Canonesses of the Holy Sepulchre.

One of the most important aspects of our identity as Canonesses of the Holy Sepulchre is to live alongside people in their ordinary lives - seeking to bring God to people in the everyday circumstances of life, as well as in heightened personal or liturgical experiences. We are Community people, living community and building community wherever we are. Our Community life of prayer and ministry seeks continually to find appropriate and effective ways of living and sharing the Gospel with the people around us.

Our whole life, therefore, has a particular accent on inclusivity. Our moments of shared prayer are open to all and our Ministries often focus on people who may find themselves on the margins or who are losing hope.

We give concrete expression to our charism in ways best suited to the area where we are living. We respond to local needs in ways appropriate to the situation and to our skills and experience. We have continued to engage in relevant training, have secured funding for some of these activities, and have always sought to work collaboratively.

Keeping abreast of developments and legislation relevant ministry is always a point of attention and all of this has been done via Teams or Zoom again this year. Some members of the Community have done online training related to protection of children for example. Two Trustees have also done the in person Buzzacott Trustee training.

As has already been mentioned, changes in safeguarding structures has been high on our agenda and we have been fully engaged with those movements and proposals.

Professor Michael Alder informed us of his desire to retire at the end of the calendar year 2023. Hence, the Trustees engaged in a process of reassessing needs and deciding what support is needed in addition to the work carried out by Mike. This led to the recruitment of an appropriately skilled individual who could be the Charity's 'Operations Manager' for the present and the future. After initial recruitment and online conversations, there were two candidates interviewed in person and the Charity appointed Mr Peter Twist who began work on 8 January on a part-time basis and has a fuller and more far-reaching brief than Mike had previously.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

Some of the Community members are also trustees of other charities which have been created as legacy CIOs – for example OODIL CIO (Charity Registration Number 1186851); Elijah's Pot CIO (Charity Registration Number 1195719); and The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO ("the Cemetery CIO") (Charity Registration Number 1189656).

The Community always offers a place of open, inclusive welcome, and that particular gift was shared with the local Communities and parishes.

As Canonesses, the Community follows the Rule of St Augustine and finds inspiration in his dictum:

'Since you cannot do good to all, you are to pay special attention to those who, by the accidents of time, or place, or circumstances, are brought into closer connection with you.'

This has demanded some creativity and change in order to be safe and keep others safe.

Meeting local needs

This year has again seen a modified version of the pre pandemic outreach programme.

In Melbourne the Community runs a Homework Club (twice a week); the Toddler Group and the Wisdom Group for the elderly. These groups are run by the Community but involve upward of 20 volunteers each week.



Homework Clubs also engage local sixth form students as helpers.



TODDLER GROUP



WISDOM GROUP OUTING

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

Meeting local needs (continued)

The Community also organised a week of summer activities for children which involved 40 children per day. This also engaged 9 young people – mostly from the estate – as team leaders – photos below.



The weekly friendship group – CCC – in Colchester has also met regularly.

Different members of the Community also volunteer with other local charities – with the Korban Project; the local foodbank; Beacon House (a charity which provides services for homeless people); the local charity shop.

The Coronation weekend also provided the occasion for several community building moments in Chelmsford and Colchester organised by the Community. This involved celebrations with local people; with families; a party for the elderly; celebrations for the Community and friends and family.



Some of the Coronation moments - building and sustaining community

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

Meeting local needs (continued)

In 2018 this CIO gave a loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to enable it to purchase a property. The Trustees received regular reports from this charity and based on the above, the Trustees decided in January 2023 to convert the loan into a gift. This change has been fully implemented.

Social and pastoral care for our sisters in Africa

As the Community is part of a wider Association of Communities worldwide, the Charity has continued to have a special care for sisters based in the Democratic Republic of Congo and in Rwanda.

They are supported through prayer and material care with their basic needs. We also involve our many contacts in getting to know about the political and social situations in both countries, particularly through our annual Africa newsletter which is always well received.



The Christmas Giving scheme - Light a Candle for Africa - was run for the seventh year and again raised £4,380 (including sums donated) for particular named projects in Africa.

The money raised through these small fundraising events is sent directly to the African Priors.

The projects supported this year have included: the health provision in Goma; a school in Rwanda for children and young people with physical disabilities; and a health centre care in Kindu – representative photos below.



FROM GOMA



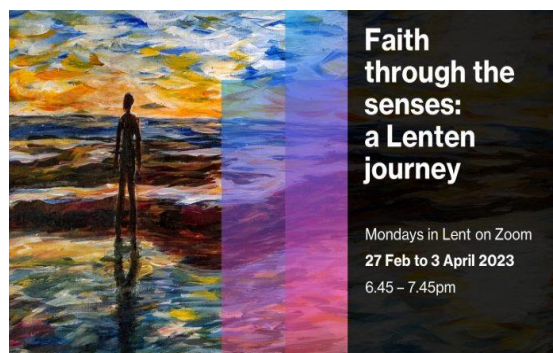
FROM KINDU

Objects, aims, objectives, activities and relevant policies (continued)

Finding opportunities to engage in reflection and discussion on spiritual questions

The Community continued to offer opportunities to pray and reflect together throughout the year. There are open prayer times four times a week. There is a weekly selection of readings and reflections sent every Saturday. During Advent and Lent there were reflective Zooms each week.

For six weeks during Lent there was an opportunity to follow a Lent course - Experiencing God through the senses. Approximately 40 people registered for this course.



Gathering at New Hall for Bishop Guli's talk

The theme of LISTENING has also been explored through the year and there were sessions run by various eminent theologians which attracted sizeable audiences. These included Bishop Guli Francis-Dehquani; Paulo Foglizzo; Laurence Freeman;

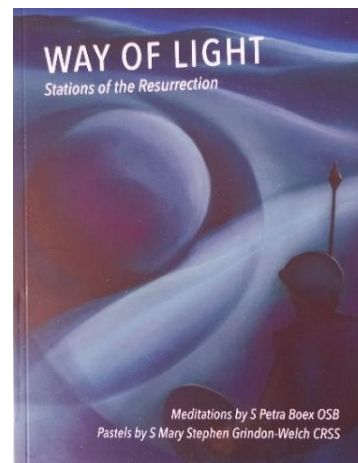
Most of these sessions were on Zoom but the session with Bishop Guli was in person at New Hall and attracted a large audience including several young people.



The celebration at the end of the theme year took place in the real and it was a very special moment of prayer and companionship after so many virtual meetings – photo below.

In the weeks after Easter there were Zoom sessions offered following Sister Mary Stephen's Way of Light paintings and reflections.

Many people followed the two Zoom reflection evenings, during which Sister Mary Stephen read some of her own reflections on her paintings.



Three members of the Community attended the 6 yearly Association General Chapter in Belgium in August 2023 and fed back the content of both the business sections and the reflective sections of the 10 day Conference to the Community and beyond.

Objects, aims, objectives, activities and relevant policies (continued)

Work on our legacy

Doctor Cormac Begadon completed his work with the Community and gave a final piece of feedback on his research at the end of the year.



Doctor Cormac addressing a large audience at our Foundation Day lecture 2022

Shortly after this conclusion, news came from Liege concerning an archaeological dig on the domain where the Community had lived immediately prior to fleeing back to England when revolution hit Europe.

The dig uncovered a lot of artefacts dating back to the time when the Community lived on the site.

Some of the Community visited the dig along with Cormac Begadon. The artefacts tell a graphic story of life in the school and convent at that time.



Following these visits to the site, the Community have asked Doctor Begadon to do a piece of research on the findings, in collaboration with the on-site archaeologist, Guillaume Mora-Dieu.

Last year the Trustees agreed to making a £1.2 million endowment to part fund a Chair in Catholic Studies at the Centre for Catholic Studies in Durham and the title of this Chair will bear the name of the Community Foundress. The discussions as to how and when to make this donation have been on-going with Durham, but the Trustees believe that this Chair and its future will carry on the Community legacy well beyond the life of the sisters. A matched funder has been found and talks have started on shared vision as well as the mechanics of the agreement.

Objects, aims, objectives, activities and relevant policies (continued)

Work on our legacy (continued)

It is hoped that this project can be concluded this year.

As reported last year, Trustees agreed to use the services of an experienced researcher to narrate all aspects of the last 35-40 years life of the Community. This work has begun through long in-depth conversations and dialogues and will continue through the coming year.

Good stewardship of land sale monies

The Trustees have made good progress in creating the structures needed for the long term stewardship and legacy of the Community. There are now three new CIOs funded from the CIO's money, namely the Cemetery CIO, OODIL and Elijah's Pot.

As reported earlier, the legacy CIO, Elijah's Pot, is now established and £4.68 million has been transferred to that CIO.

New major donations and regular smaller donations are now made from Elijah's Pot (legacy CIO) and no longer from the Charity.

The Charity's Trustees are receiving annual reports from this legacy CIO and also from the Cemetery CIO and OODIL CIO. Trustees from the three new CIOs shared their annual report and accounts with the Charity's Trustees.

The property in Inglis Road, purchased for the Gateway of Hope project remains in the CIO's portfolio. The initial request for change of use was refused and this went to appeal. The appeal was successful and it was hoped that the collaboration with Safer Places as the service provider would get this project up and running in a relatively short period of time. Unfortunately, just as the appeal was granted, Safer Places Trustees informed us that they had to withdraw from the project as they now felt unable to deliver due to changes in their circumstances.

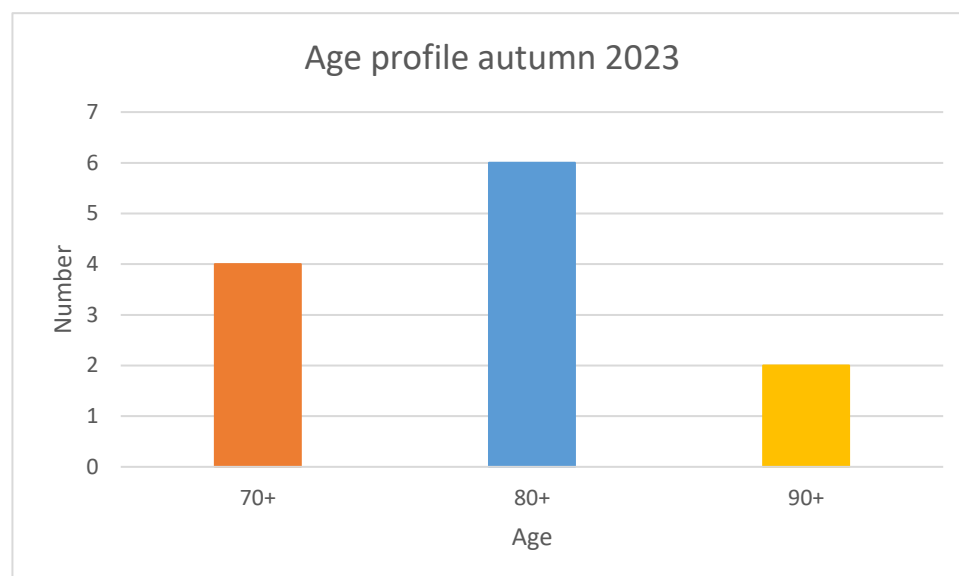
Trustees continue to work with the Ministry of Justice and with Essex CC to find an alternative service provider.

Care for our own Community members

In common with many Religious Orders and Congregations in England, the profile of our Community shows an increasing average age. Two elderly sisters have continued to need significant care and support. We have been well served by the National Health and local Care Services but have also felt the need to supplement that provision with further resources in order to give the fullest support and dignity to those two members of the Community. We are engaged proactively in looking at how to meet welfare needs more fully going into the future.

Objects, aims, objectives, activities and relevant policies (continued)

Care for our own Community members (continued)



The Community is committed, both morally and legally, to provide care for all its sisters, none of whom has resources of her own. The Trustees are aware of the need to make provision for the future care of each sister and therefore continue to give careful attention to the Community's property requirements and financial needs both now and in the years ahead. The Trustees have continued to address the needs for good maintenance and repair for the properties already in their possession and occupied by the sisters. The Trustees are also conscious of the need to exercise good stewardship towards the planet and to leave a positive lasting legacy in favour of the environment.

The Community continue to use Zoom very regularly both with others and just amongst themselves and this helps especially those whose mobility and outside contacts are limited.

During this last year, there has been a further increased need for welfare support and this has been accounted for in the recommendations made by the finance committee to the Trustees. Trustees appointed Linda Selway to support welfare needs for the Community on three mornings a week. This has been a very helpful addition to the support staff and has given added security to Community members.

The bungalow adjacent to the Colchester property became vacant in the summer of 2023 and the Trustees agreed to purchase the bungalow with a view to providing care and increased support for the Community going forward. This purchase is now awaiting completion of probate. The Trustees will work towards recruiting a resident individual or couple for the bungalow and also recruiting increased care to complement that already offered by Linda. Trustees are aware that there will have to be increased support for the Community in the near and mid-term future.

Financial review

Market volatility

This is the fourth year wherein our reporting narrative and financial results have been significantly affected by external world circumstances and the consequent changes in stock market fortunes and the cost of living crisis experienced in the UK.

Our finance committee has guided us through the volatilities of the stock market in a very able way and our financial recovery has been good, aided by the careful realigning of our assets.

Whilst there will undoubtedly be challenges ahead, we do not expect material concerns to arise over the Charity's financial position.

Results for the year

A summary for the results of the year ended 30 September 2022 can be found on page 25 of the accounts.

Total income for the year amounted to £611,424 (2022 – £391,369). Of the income £210,921 (2022 – £145,609) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £125,628 (2022 – £120,183) covenanted to the Charity and a legacy in 2023 of £61,328. Investment income and interest receivable totalled £111,386 (2022 – £163,718).

Expenditure totalled £799,809 (2022 – £5,107,313). Donations payable totalled £328,027 (2022 – £4,730,831). In 2022 donations included £4,588,375 to Elijah's Pot CIO made from the charitable donation fund. Further details of donations payable in the year are given in note 4 of the accounts. Expenditure incurred on maintaining the members of the Community and supporting them in their pastoral work and ministry amounted to £430,330 (2022 – £336,515) and includes expenditure on governance of £15,620 (2022 – £22,800).

During the year to 30 September 2023, gains of £281,433 (2022 – losses of £863,596) arose on the Charity's listed investments reflecting the recovery in stock markets after the previous decline. Net income for the year and net increase in funds was £278,048 (2022 – decrease in funds was £5,579,540).

Investment performance

The Charity's investments were held in accumulating units in the year and as such did not generate income as all income of the fund is reflected in the market value of the unitised funds. During the year the Charity invested funds in the COIF Charities Deposit Fund in February 2023. This fund generated income of £69,723.

Reserves policy and financial position

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the Charity's work, the level of free reserves should be approximately equal to two to three years' ongoing expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial review (continued)

Reserves policy and financial position (continued)

The balance sheet shows total funds of £14,211,108 (2022 – £13,933,060). Of these funds, £96,515 (2022 – £136,112) are restricted and are to be applied for specific purposes. £2,760,412 (2022 – £3,101,027) are represented by freehold properties, excluding the property representing the Gateway of Hope designated fund, and other tangible fixed assets and £nil (2022 – £250,000) by the Charity's programme related investments. A decision was made to separate these funds from the general fund in recognition of the fact that assets are used in the day-to-day work of the Charity or by organisations for charitable purposes in line with the Charity's objects, and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Funds totalling £9,550,000 (2022 – £9,900,180) have been designated, or set aside, by the Trustees for specific purposes. £5,750,000 (2022 – £5,450,000) has been set aside to meet the costs for the care and welfare of the sisters in their old age. The amount set aside has been calculated, using actuarial methods, to provide a modest sum towards the upkeep and care of the sisters in years to come.

Following the sale of the investment property comprising land at New Hall in October 2014, funds totalling approximately £12.5 million were set aside in a 'charitable donation fund' to be used to finance grants and donations including new charitable projects overseas. The balance on this fund at 30 September 2023 was £2,000,000 (2022 – £3,150,180). A balance of £1,300,000 remained on the designated Gateway of Hope fund, to make provision of housing for women in the Criminal Justice system. Further details about these funds are given in note 18 to the accounts.

Funds which are available to support the work of the sisters in the future are those shown on the balance sheet as the general fund and total £1,804,181 (2022 – £545,741). The Trustees believe that these free reserves are adequate but not excessive and consistent with the Charity's reserves policy outlined above.

Future plans for the Charity and the Community

We see little change to our future plans in the forthcoming year and are aware that the safety and overall well-being of Community members, especially the oldest ones, has to be our priority. Within this context, the Community, supported by its Trustees, aims:

- ◆ To be of service in meeting local needs in the areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. Increasing age profile, decreasing number of Community members and greater frailty will necessarily reduce the extent of this outreach and will change its nature.
- ◆ To bring the Gateway of Hope project to a conclusion.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.

Future plans for the Charity and the Community (continued)

- ◆ To continue to engage people around us in reflective discussions on spiritual questions. For the coming year we have planned a programme exploring some of the difficult ethical and moral questions facing Christians today.
- ◆ To continue work on our legacy going into the long-term future. This will involve finalising arrangements for establishing the Chair in Catholic Studies at Durham. It will also involve 'writing the final chapter' of our story with a researcher experienced in working with Religious Communities.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community. This will include the recruitment of further key welfare staff.

Structure, governance and management

The Charity is a Charitable Incorporated Organisation (CIO) governed by a Constitution dated and agreed by the trustees on 15 June 2016 and registered with the Charity Commission on 27 June 2016. The Constitution was amended on 30 March 2021.

Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

Trustees

The names of the Trustees and details of changes during the year are given on page 1 of this annual report and accounts.

At any time there must be a minimum of three trustees. The Prioress for the time being is automatically, ex officio, a charity trustee for as long as she holds that office. The Conventual Chapter may appoint additional charity trustees by a resolution at a properly convened meeting of the Conventual Chapter for: (i) in the case of an individual who is a member of the Community for such period of office as the Conventual Chapter shall determine; and (ii) in all other cases for a term of three years or such other term as the Conventual Chapter shall decide.

Governance

In terms of Canon Law, the highest authority in the Community is the Conventual Chapter, which is made up of all the perpetually professed members of the Community. The Chapter elects a Prioress every 6 years and the Prioress is de facto a Trustee of the Charity. As is expected in the Community's Constitutions, Community members meet regularly as a full Chapter to reflect on the mission and to examine the life style and finances of the Community. Community members are involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Structure, governance and management (continued)

Governance (continued)

Our finance assistant is now the clerk to the Trustees and last year attended the Provincial Bursars' Conference and cascaded back to the Trustees on the following:

- ◆ Climate issues
- ◆ Employment law
- ◆ Disaster planning
- ◆ Cyber security

During the year, the Conventual Chapter voted to accept a further lay Trustee onto the board, thus putting Community members in the minority. Ms Grainne Gilmore, a former pupil at New Hall, was invited to become a Trustee and she accepted. She attended her first meeting in January 2023.

Organisational Management

In terms of Civil Law, the Trustees of the Charity, are legally responsible for the overall management and accounting of the Charity and for safeguarding the assets of the Charity. They receive no remuneration or expenses for their service as Trustees. The Trustees meet once a month on average to review developments within the Charity, and to take decisions. The Trustees are supported by professional advisers, the most significant of these in daily management terms being our lay financial administrator. Other professionals, including investment managers, solicitors, and auditors are consulted as appropriate. Trustees have delegated responsibilities and try to keep updated within their areas on recommended best practice regarding appropriate policy requirements.

The Community is involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Risk Management

The Trustees recognise their responsibility for the management of risks faced by the Charity, the Community and its individual members.

We continue to review and update our risks as well as the documents and procedures put in place the previous year under the guidance of our Compliance Co-ordinator.

The areas identified for particular attention within our risk management strategy are:

- ◆ Governance and management
- ◆ Maintenance and Health and Safety
- ◆ Financial
- ◆ Litigation
- ◆ Reputational

Structure, governance and management (continued)

Risk Management (continued)

The Trustees have continued to operate within the key areas of risk controls which include:

- ◆ Regular and frequent meetings of the Trustees with formal agendas and minutes;
- ◆ Comprehensive strategic planning, budgeting and management accounting;
- ◆ Established organisational structures and lines of accountability;
- ◆ Regular meetings with professional advisors to whom all our business is transparent;
- ◆ Establishing a clear authorisation and approved levels of decision-taking and spending; and
- ◆ Putting in place vetting procedures required by law for the protection and safeguarding of the vulnerable.

Time-frames exist for the annual monitoring of the risk assessments.

The key risks which faced the Charity during the year are as follows:

- ◆ An analysis of the age profile of the members of the Community shows that the average age in the Community at 30 September 2023 was in excess of 80 years. The Trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the Charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally the Charity works with children and vulnerable adults including older people. The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the Charity serves. This means that Sisters engaged in any ministry and all those who work or volunteer for the Charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The Trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA).
- ◆ The Charity donates significant sums in support of the activities of overseas Religious Communities with which the Sisters are associated and to other organisations. Whether or not the funds are used here in Great Britain or overseas, the Trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.

Structure, governance and management (continued)

Risk Management (continued)

- ◆ The Charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investments are monitored closely by the Finance Committee who meet regularly and adopt a pro-active position to change. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs both now and in the future. The Trustees meet with the Chair of the Finance Committee for regular updates. We have worked closely with our finance group and investment managers to ensure that as far as we are able, we do not invest in ways which impact negatively on the environment.

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity of the incoming resources and application of resources of the Charity for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice 2015 FRS 102 (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

Structure, governance and management (continued)

Key management personnel

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

Certain of the Trustees are members of the Community whose living and personal expenses are borne by the Charity. None of the Trustees receive any remuneration or reimbursement of expenses in connection with their duties as Trustees or key management personnel.

Signed on behalf of the Trustees:

Maira O'Sullivan

Approved by the Trustees on: 25/03/24

Independent auditor's report to the Trustees of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord

Opinion

We have audited the accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the 'Charity') for the year to 30 September 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 30 September 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

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

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011); and
- ◆ We understood how the Charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of Trustees' meetings.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
- ◆ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◆ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◆ Identifying and testing journal entries;
- ◆ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Performed substantive testing on expenditure; and
- ◆ Tested journal entries to identify unusual transactions.

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

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

- ◆ Reading the minutes of meetings of those charged with governance; and
- ◆ Enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

27 March 2024

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

Statement of financial activities Year to 30 September 2023

	Notes	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £
Income from:							
Donations and legacies	1	187,310	23,611	210,921	126,041	19,568	145,609
Income from charitable activities		29,130	—	29,130	28,380	—	28,380
Other trading activities							
. Fundraising events		3,566	506	4,072	4,454	—	4,454
Investments and interest receivable	2	111,386	—	111,386	163,718	—	163,718
Other sources							
. Miscellaneous income		151	—	151	1,771	—	1,771
. Surplus on disposal of tangible fixed assets and sundry artifacts		255,764	—	255,764	47,437	—	47,437
Total income		587,307	24,117	611,424	371,801	19,568	391,369
Expenditure on:							
Raising funds	3	41,452	—	41,452	39,967	—	39,967
Charitable activities							
. Grants, donations and support of missionary work and ministry	4	276,250	51,777	328,027	4,705,271	25,560	4,730,831
. Support of members of the Community and their ministry	5	418,393	11,937	430,330	324,870	11,645	336,515
Total expenditure		736,095	63,714	799,809	5,070,108	37,205	5,107,313
Net expenditure before investment gains (losses)							
	8	(148,788)	(39,597)	(188,385)	(4,698,307)	(17,637)	(4,715,944)
Net gains on revaluation of investment properties	12	185,000	—	185,000	—	—	—
Net gains (losses) on listed investments	12	281,433	—	281,433	(863,596)	—	(863,596)
Net income (expenditure) and net movement in funds		317,645	(39,597)	278,048	(5,561,903)	(17,637)	(5,579,540)
Reconciliation of funds:							
Total funds brought forward at 1 October 2022		13,796,948	136,112	13,933,060	19,358,851	153,749	19,512,600
Total funds carried forward at 30 September 2023		14,114,593	96,515	14,211,108	13,796,948	136,112	13,933,060

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

All of the Charity's activities derived from continuing activities in each of the above two financial years.

Balance sheet 30 September 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		3,665,880		4,004,089
Investments	12		10,560,361		12,160,323
Programme related investments	13		—		250,000
			14,226,241		16,414,412
Current assets					
Debtors	14	38,950		47,354	
Cash at bank and in hand		155,998		2,266,577	
		194,948		2,313,931	
Current liabilities					
Creditors: amounts falling due within one year	15	(210,081)		(4,795,283)	
Net current liabilities			(15,133)		(2,481,352)
Total net assets			14,211,108		13,933,060
The funds of the Charity:					
Unrestricted income funds					
. General fund			1,804,181		545,741
. Tangible fixed assets fund	16		2,760,412		3,101,027
. Programme related investments fund	17		-		250,000
. Designated funds	18		9,550,000		9,900,180
			14,114,593		13,796,948
Restricted funds	19		96,515		136,112
			14,211,108		13,933,060

Approved by the Trustees
and signed on their behalf by:

Moira O'Sullivan

Trustee

Approved on: 25/03/24

Statement of cash flows Year to 30 September 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(359,763)	(577,010)
Cash flows from investing activities:			
Investment income		111,135	151,368
Purchase of tangible fixed assets		(6,052)	(34,696)
Proceeds from the disposal of tangible fixed assets and artefacts		553,052	40,418
Proceeds from the disposal of listed investments		—	1,718,569
Cash withdrawn from COIF Charities Fund deposit held as fixed asset investments		—	333,344
Purchase of investments		—	(1,081,084)
Net cash provided by investing activities		658,135	1,127,919
Change in cash and cash equivalents in the year		298,372	550,909
Cash and cash equivalents at 30 September 2022		2,346,653	1,795,744
Cash and cash equivalents at 30 September 2023	B	2,645,025	2,346,653

Notes to the statement of cash flows for the year to 30 September 2023

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

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	278,048	(5,579,540)
Adjustments for:		
Depreciation charge	57,833	52,805
(Gains) losses on listed investments	(281,433)	863,596
Gains on revaluation of investment properties	(185,000)	—
Non cash donations (2023: write off of loan (Notes 4 and 13)) (2022: listed investments donated (Notes 4 and 12))	250,000	4,483,313
Surplus on disposal of tangible fixed assets and artifacts	(255,764)	(47,437)
Investment income and interest receivable	(111,386)	(163,718)
(Increase) decrease in debtors	(2,205)	4,335
(Decrease) increase in creditors	(109,856)	(190,364)
Net cash used in operating activities	(359,763)	(577,010)

B Analysis of cash and cash equivalent

	At 1 October 2022	Cash flows	At 30 September 2023
Cash at bank and in hand	2,266,577	(2,110,579)	155,998
Cash instruments - COIF Charities deposit fund	—	2,489,027	2,489,027
Cash held by investment managers	80,076	(80,076)	—
Total cash and cash equivalents	2,346,653	298,372	2,645,025

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord **27**

Principal accounting policies 30 September 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 September 2023, with comparative information given in respect to the year to 30 September 2022.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

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

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

- ◆ Assessing the probability of the receipt of legacy income;
- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of determining the depreciation charge;
- ◆ Estimating the value at the time of disposal of assets donated to third parties;
- ◆ Determining the apportionment of support costs between the various categories of expenditure;
- ◆ Determining the value of the designated funds needed at the year end and, in particular, estimating the size of the retirement reserve created in order to provide for the continuing care of the members of the Community for the remainder of their lives; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees acknowledge and recognise the residual impact of the macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the Charity is a long term investor. The Charity's Trustees keep a watching brief over the markets.

Undoubtedly there will be challenges ahead but the Trustees do not expect material concerns to arise over the Charity's financial position or going concern. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income

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

Income comprises donations, legacies, income from other trading activities i.e. fundraising events, investment income, interest receivable and income from other sources, including any surplus on disposal of tangible fixed assets.

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

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably or the Charity has been notified of the executor's intention to make a distribution.

Income (continued)

Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

Income from charitable activities includes rental income from property rented to individuals whose needs fall within the Charity's objectives,

Income from small scale fundraising events is accounted for when the Charity has confirmation of the amount due and receipt of the funds is probable. This will normally be on the date of the relevant fundraising event itself.

Investment income is recognised once the dividend or similar distribution has been declared and notification has been received of the amount due.

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

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

All other income is recognised to the extent that it is probable that the economic benefits will flow to the Charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

The costs of raising funds include direct costs and overheads associated with managing investment property, managing listed investments, and organising small scale fundraising activities.

Expenditure (continued)

The costs of charitable activities comprise expenditure on the Charity's primary charitable purposes as described in the Trustees' report. Such costs include:

◆ Grants, donations and support of missionary work and ministry

Grants, donations and support of missionary work and ministry relates to the support of work overseas carried out by Communities of sisters with which the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is associated and the support of other charitable organisations with objectives consistent with those of the Charity.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise both single year payments and multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants meeting this criteria but which are not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

◆ Support of members of the Community and their ministry

This comprises expenditure incurred on the maintenance, living and personal expenses of members of the religious community.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs are the costs associated with the governance arrangements of the Charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Community and enabling their ministry, with a small proportion allocated to expenditure on raising funds and provision of donations and grants. The allocation is based on the time spent on individual activities.

Tangible fixed assets

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

- ◆ Land and buildings

- ◇ Non-specialised property

- Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and buildings are included in the accounts at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the Trustees, who are satisfied that their residual value is not materially less than their book value.

- ◇ Specialised property

- Specialised buildings comprise the Charity's large residential convent which is included in the account at cost. Depreciation is provided at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the Charity. No depreciation is charged until a property is brought into use.

- ◆ Motor vehicles

- Motor vehicles are capitalised and depreciated 25% per annum on cost in order to write off each asset over its estimated useful life.

- ◆ Furniture, fittings, equipment and computers

- Furniture, fittings, equipment and computers are capitalised and depreciated at rates between 6.67% and 33.33% per annum on cost in order to write off each asset over its estimated useful life.

Fixed asset investments

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

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

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

Investment property, comprising land and buildings, is included in the accounts at fair value which is deemed to be open market value as at the year end date as determined by the Trustees after seeking appropriate professional advice (see note 11 to these accounts for further details).

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

Programme related investments

Programme related investments comprised a loan to another organisation to finance the purchase of land, in order to be used for purposes consistent with the Charity's objectives. Further details are given in note 14 to the accounts.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit with the intention that it is held for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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

Fund structure

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

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

The programme related investment fund represented the net book value of the Charity's programme related investments.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds represent monies raised for a specific purpose or monies subject to donor imposed restrictions.

Details of designated and restricted funds are given in the notes to the accounts.

Pension costs

The Charity offers its employees membership of a defined contribution pension scheme administered by Legal and General.

Employer's contributions in respect to defined contribution pension schemes are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Community

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

1 Income from: Donations and legacies

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	125,628	—	125,628	120,183	—	120,183
Voluntary income – Greenstead project	—	200	200	—	1,445	1,445
Voluntary income – Melbourne Project	—	10,196	10,196	—	7,778	7,778
Other donations and similar income	354	13,215	13,569	5,858	10,345	16,203
Legacies receivable	61,328	—	61,328	—	—	—
	187,310	23,611	210,921	126,041	19,568	145,609

2 Income from: Investments and interest receivable

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Investment income						
. Unit trusts and common investment funds	—	—	—	97,327	—	97,327
. UK equities	—	—	—	5,801	—	5,801
. Overseas equities	—	—	—	12,182	—	12,182
. UK fixed interest	—	—	—	—	—	—
. Overseas fixed interest	—	—	—	—	—	—
. Alternative	—	—	—	1,091	—	1,091
	—	—	—	116,401	—	116,401
Interest on cash instruments	69,723	—	69,723	—	—	—
Rental income from investment properties	31,759	—	31,759	35,659	—	35,659
Interest receivable	7,716	—	7,716	2,908	—	2,908
Income from programme related investments	2,188	—	2,188	8,750	—	8,750
	111,386	—	111,386	163,718	—	163,718

3 Expenditure on: Raising funds

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Rental property expenses	26,272	—	26,272	5,781	—	5,781
Investment management fees	(701)	—	(701)	17,954	—	17,954
Activities for generating funds	1,383	—	1,383	1,062	—	1,062
Allocation of support costs (note 6)	14,498	—	14,498	15,170	—	15,170
	41,452	—	41,452	39,967	—	39,967

4 Expenditure on: Grants, donations and support of missionary work and ministry

	2023			2022		
	Un-restricted funds £	Restricted funds £	Total funds £	Un-restricted funds £	Restricted funds £	Total funds £
Support of missionary work and ministry						
. Grants in support of overseas missions	—	50,837	50,837	38,232	23,260	61,492
Donations of £1,000 or more to institutions						
. CAFOD	3,910	140	4,050	12,500	—	12,500
. Art for Becton	1,000	—	1,000	—	—	—
. The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO (note 22)	—	—	—	1,100	—	1,100
. Durham University	—	—	—	64,165	—	64,165
. Colchester Korban Project	250,000	—	250,000	—	—	—
. Elijah's Pot CIO	—	—	—	4,588,375	—	4,588,375
. OODIL CIO (note 22)	—	—	—	—	2,000	2,000
	254,910	140	255,050	4,666,140	2,000	4,668,140
Other donations to institutions	700	800	1,500	3,972	300	4,272
Refund of an unused donation given to Essex Community Foundation in 2016	—	—	—	(21,711)	—	(21,711)
Donations to individuals	294	—	294	140	—	140
Allocation to support costs (note 6)	20,346	—	20,346	18,498	—	18,498
	276,250	51,777	328,027	4,705,271	25,560	4,730,831

Donations to individuals include payments to 2 (2022 – 4) individuals.

OODIL CIO was incorporated on 9 December 2019, Charity Registration Number 1186851. It's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford and the town of Colchester. During the year to 30 September 2022 the Charity donated cash of £2,000 to OODIL.

The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO ("the Cemetery CIO") was incorporated on 26 May 2020, Charity Registration Number 1189656. During the year to 30 September 2022 the Charity donated £1,100 to the Cemetery CIO.

Elijah's Pot CIO was incorporated on 6 September 2021, Charity Registration Number 1195718. During the year to 30 September 2022 the Charity donated £4,588,375 to Elijah's Pot CIO to help establish the CIO and enable it to fulfil its charitable objectives of grant-making to support those that are disadvantaged, oppressed or discriminated against in the UK and elsewhere. £25,000 was paid in the year to 30 September 2022 and the remaining balance was included within creditors.

The Trustees of the Charity are working with Durham University to establish a Chair in the History of Catholicism and have agreed in principle to donate £1.2 million over the next four years. A contract in relation to the grant is currently being negotiated. A liability will be recognised once the contractual arrangements have been agreed.

5 Expenditure on: Support of members of the Community and their ministry

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Premises	97,613	—	97,613	64,026	—	64,026
Depreciation	57,833	—	57,833	52,805	—	52,805
Living and personal expenses	66,137	—	66,137	62,759	—	62,759
Healthcare costs	66,608	—	66,608	29,077	—	29,077
Retreats, spiritual direction, formation and other similar expenses	2,213	—	2,213	3,062	—	3,062
Melbourne Project	—	11,634	11,634	—	10,828	10,828
Greenstead Project	—	303	303	—	817	817
Allocation of support costs (note 6)	127,989	—	127,989	113,141	—	113,141
	418,393	11,937	430,330	324,870	11,645	336,515

6 Support costs

	2023			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (note 9)	4,714	4,714	80,473	89,901
Other costs	1,346	1,346	22,972	25,664
Professional fees	4,623	11,234	16,151	32,008
Governance costs (note 7)	3,815	3,052	8,393	15,260
	14,498	20,346	127,989	162,833

	2022			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (note 9)	3,676	3,676	68,047	75,399
Other costs	1,206	1,206	22,317	24,729
Professional fees	4,588	9,056	10,237	23,881
Governance costs (note 7)	5,700	4,560	12,540	22,800
	15,170	18,498	113,141	146,809

The Charity has allocated its support costs on a basis consistent with the use of resources.

7 Governance costs

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Professional fees	15,260	—	15,260	22,800	—	22,800

8 Net income (expenditure) and net movement in funds

This is stated after charging:

	2023 £	2022 £
Staff costs (note 9)	89,901	75,399
Depreciation	57,833	52,805
Auditor's remuneration (including VAT)		
. Statutory audit current year	14,000	19,200
. Statutory audit prior year	1,260	3,600

9 Staff costs, key management personnel and transactions with Trustees

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	83,347	70,442
Social security costs	2,401	1,435
Other pension costs	4,153	3,522
	89,901	75,399

The number of employees during the year was as follows:

	2023 No.	2022 No.
Support of members of the Community and their ministry		
. Average	3.0	3.0
. Full time equivalent	1.8	1.6

No employee earned £60,000 per annum or more (including taxable benefits) during the year to 30 September 2023 and 2022.

The Trustees of the Charity comprise the Charity's key management personnel. They received no remuneration in connection with their duties as Trustees or their role as key management personnel during the year (2022 – none).

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees who are members of the Community to the Charity was £35,308 (2022 – £33,154).

Two trustees had expenses of £240 (2022 - £253) reimbursed to them for travel.

10 Taxation

The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is a registered Charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings		Furniture, fittings, equipment & computers	Motor vehicles	2023 Total
	Specialised property £	Non-specialised property £	£	£	£
Cost					
At 1 October 2022	3,039,523	1,529,782	30,545	72,408	4,672,258
Additions	2,406	—	3,646	—	6,052
Disposals	—	(286,428)	—	(7,885)	(294,313)
At 30 September 2023	3,041,929	1,243,354	34,191	64,523	4,383,997
Depreciation					
At 1 October 2022	595,863	5,312	23,173	43,821	668,169
Charge for the year	42,729	—	4,554	10,550	57,833
Released on disposal	—	—	—	(7,885)	(7,885)
At 30 September 2023	638,592	5,312	27,727	46,486	718,117
Net book values					
At 30 September 2023	2,403,337	1,238,042	6,464	18,037	3,665,880
At 30 September 2022	2,443,660	1,524,470	7,372	28,587	4,004,089

Land and buildings include a property purchased in the prior year and subject to a long lease originally of 150 years, commencing on 1 March 2007. The net book value of this property at 30 September 2023 and 2022 was £202,410. All other land and buildings owned during the year were freehold.

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

12 Fixed asset investments

	Investment properties £	Listed investments £	2023 Total £	2022 Total £
Market values				
At 1 October 2022	1,170,000	10,910,247	12,080,247	13,601,910
Additions at cost	—	—	—	1,081,084
Disposals (see below)	—	—	—	(1,866,223)
Transferred to Elijah's Pot CIO (Charity Registration Number 1195718)	—	(4,483,313)	(4,483,313)	—
Net unrealised investment gains (losses)	185,000	289,400	474,400	(736,524)
At 30 September 2023	1,355,000	6,716,334	8,071,334	12,080,247
COIF Charities deposit fund (cash instrument)	—	2,489,027	2,489,027	—
Cash held by investment manager for reinvestment	—	—	—	80,076
Total investments at 30 September 2023	1,355,000	9,205,361	10,560,361	12,160,323
Cost of investments at 30 September 2023	294,258	5,547,221	5,841,479	10,719,621

12 Fixed asset investments (continued)

Disposals at book value included above are made up of the following:

	2023 £	2022 £
Proceeds	—	1,718,569
Realised losses	—	147,654
Disposals at book value	—	1,866,223

Investment properties

The investment property comprises four residential properties:

- ♦ A farmhouse, barn and adjoining land which was valued at £375,000 by the Trustees based on indicative market values but subject to life tenancy at a peppercorn rent, using information provided by Elwell Taylor, Chartered Surveyors on 10 October 2023.
- ♦ Three residential properties which were revalued on an open market value basis on 101 October 2023 by the Trustees based on indicative market values provided by Elwell Taylor, Chartered Surveyors. The market values of these properties were £980,000 as at that date.

Listed investments

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

At 30 September 2023, listed investments and cash held by investment managers for reinvestment included £185,878 (2022 – £177,911) representing amounts administered on behalf of individual members of the Community (note 15). Included within the net gains on investments for the period are net gains of £7,967 relating specifically to these investments (2022 – net losses of £20,582). The net gains (2022 – losses) are reflected in the amount due to individual members of the Community and hence they are not accounted for through the statement of financial activities.

Listed investments held at 30 September 2023 comprised the following:

	2023 £	2022 £
UK unit trusts and common investment funds	6,716,334	9,132,600
UK equities	—	135,493
Overseas equities	—	1,252,547
Alternatives and commodities	—	389,607
	6,716,334	10,910,247

At 30 September 2023, the entire listed portfolio was invested in COIF Charities Ethical Investment Fund Accumulation Units.

At 30 September 2022, the following individual holdings were deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	6,426,934	58.90%
Sarasin Climate Active Endowments Fund Class A Inc	2,705,666	24.80%

13 Programme related investments

At 30 September 2023, the Charity held investments which were held directly in pursuit of the organisation's charitable activities as follows:

	2023 £	2022 £
At 1 October 2022	250,000	250,000
Released following conversion to a donation in the year	(250,000)	—
At 30 September 2023	—	250,000

During the year to 30 September 2018, the Charity advanced a loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to assist in purchasing a property. This property was to be used to provide shelter to young homeless adults, a purpose consistent with the Charity's objects. The loan was secured by a charge over the property and is subject to a fixed interest rate of 3.5% and was repayable by December 2027.

As noted in the trustees' report, the Trustees decided in January 2023 to convert the loan into a gift. This gift is disclosed as a donation in note 4.

14 Debtors

	2023 £	2022 £
Proceeds receivable from sale of tangible fixed assets	—	10,860
Investment income and interest receivable	17,901	17,650
Sundry debtors	4,388	2,708
Prepayments	16,661	16,136
	38,950	47,354

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Monies administered by the Charity on behalf of individual members of the religious Community	185,878	177,911
Expense creditors	10,203	34,797
Donations payable (note 4)	—	4,563,375
Expense and other creditors	14,000	19,200
	210,081	4,795,283

Monies administered by the Charity on behalf of individual members of the religious Community comprise listed investments.

16 Tangible fixed assets fund

	2023 £	2022 £
At 1 October 2022	3,101,027	3,134,773
Net movement in the year	(340,615)	(33,746)
At 30 September 2023	2,760,412	3,101,027

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

17 Programme related investment fund

	2023 £	2022 £
At 1 October 2022	250,000	250,000
Net movement in the year	(250,000)	—
At 30 September 2023	—	250,000

The programme related investment fund represented the value of the Charity's programme related investments. Whilst they existed, their value was not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

18 Designated funds

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for a specific purpose:

	At 1 October 2022 £	New designations £	Utilised/ released £	At 30 September 2023 £
Charitable donation fund	3,150,180	—	(1,150,180)	2,000,000
Gateway of Hope fund	1,300,000	—	—	1,300,000
Sisters' retirement fund	5,450,000	300,000	—	5,750,000
	9,900,180	300,000	(1,150,180)	9,050,000

	At 1 October 2021 £	New designations £	Utilised/ released £	At 30 September 2022 £
Charitable donation fund	8,399,591	—	(5,249,411)	3,150,180
Gateway of Hope fund	1,300,000	—	—	1,300,000
Sisters' retirement fund	5,000,000	450,000	—	5,450,000
Meet the Need fund	5,562	17,698	(23,260)	—
	14,705,153	467,698	(5,272,671)	9,900,180

18 Designated funds (continued)

♦ Charitable donation fund

The charitable donation fund comprises assets set aside with the broad intention of using them to finance grants and donations to third parties both within the UK and overseas. This fund was set up with the unspent proceeds receivable from investment land which was sold in October 2014. The monies were invested to generate funds and are being applied as grants and donations.

♦ Gateway of Hope fund

The Trustees have set aside £1.3m to fund a project to provide housing for women in the criminal justice system. Part of the funds have been used to purchase a property which, following the granting of planning permission for change of use, may be used for this purpose.

♦ Sisters' retirement fund

The Sisters' retirement fund represents monies set aside to make provision for the support of the Religious in their retirement and to support their ministries. The value of the fund has been calculated using actuarial methods, to provide a modest sum towards the upkeep and care of the Sisters in years to come.

♦ Meet the Need fund

The fund represented donations received during Easter over several years and had been set aside by the trustees to finance youth bursaries. This fund was fully utilised by 30 September 2022.

19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trusts to be applied for specific purposes.

	At 1 October 2022 £	Income £	Utilised/ released £	Transfers £	At 30 September 2023 £
Melbourne Project fund	57,428	10,196	(11,634)	—	55,990
Greenstead Project fund	37,817	200	(303)	—	37,714
Overseas Missions fund	20,611	—	(17,800)	—	2,811
Other restricted funds	20,256	13,721	(33,977)	—	—
	136,112	24,117	(63,714)	—	96,515

	At 1 October 2022 £	Income £	Utilised/ released £	Transfers £	At 30 September 2023 £
Melbourne Project fund	60,478	7,778	(10,828)	—	57,428
Greenstead Project fund	37,189	1,445	(817)	—	37,817
Overseas Missions fund	36,766	7,105	(23,260)	—	20,611
Other restricted funds	19,316	3,240	(2,300)	—	20,256
	153,749	19,568	(37,205)	—	136,112

19 Restricted funds (continued)

The Melbourne Project fund and the Greenstead Project fund comprises monies received specifically for the support of community-led activities in Melbourne (Chelmsford) and Colchester respectively.

The Overseas Missions fund comprises monies received specifically for the support of the members of the Community and their missionary work in Africa.

Other restricted funds comprise monies received for several specific purposes.

20 Analysis of net assets between funds

Fund balances at 30 September are represented by:

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2023 £
Tangible fixed assets	—	2,760,412	—	905,468	—	3,665,880
Investments	1,915,829	—	—	8,644,532	—	10,560,361
Net current (liabilities) assets	(111,648)	—	—	—	96,515	(15,133)
Total net assets	1,804,181	2,760,412	—	9,550,000	96,515	14,211,108

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2022 £
Tangible fixed assets	—	3,101,027	—	903,062	—	4,004,089
Investments	1,347,911	—	250,000	10,812,412	—	12,410,323
Net current (liabilities) assets	(802,170)	—	—	(1,815,294)	136,112	(2,481,352)
Total net assets	545,741	3,101,027	250,000	9,900,180	136,112	13,933,060

20 Analysis of net assets between funds (continued)

The total unrealised gains as at 30 September 2023, constituted movements on revaluation and were as follows:

	2023 £	2022 £
Total unrealised gains included above:		
On listed investments	1,169,113	484,884
On investment properties	1,060,742	875,742
	2,229,855	1,360,626
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 October 2022	1,360,626	2,166,722
On disposal of investments	—	(69,572)
On transfer of investments	394,829	—
Net gains (losses) arising on revaluation of listed investments in the year	289,400	(736,524)
Net gains arising on revaluation of investment properties in the year	185,000	—
Total unrealised gains at 30 September 2023	2,229,855	1,360,626

21 Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

22 Related party transactions

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant. During the year, the total amount donated by the Trustees who were members of the Community to the Charity was £35,308 (2022 – £33,154).

In 2022, two trustees who are not members of the Community donated £100 each to the Charity.

In 2023, a brother of a trustee donated £100 to the Charity (2022 – Nil).

Sister Moira O'Sullivan, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, OODIL CIO incorporated on 9 December 2019 Charity Registration Number 1186851. OODIL's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford, the town of Colchester. During the year to 30 September 2022 the Charity made a donation of £2,000 to OODIL CIO from a restricted donation received by the Charity.

22 Related party transactions (continued)

Sister Moira O'Sullivan is also a Trustee of a Charitable Incorporated Organisation, Elijah's Pot CIO incorporated on 6 September 2021 Charity Registration Number 1195718. Elijah's Pot CIO is a grant-making charity that supports those that are disadvantaged, oppressed or discriminated against in the UK and elsewhere. During the year ended 30 September 2022 the Charity made a donation of £4,588,375 to Elijah's Pot (note 4). £4,563,375 was included within creditors at 30 September 2022 and was paid on 1 October 2022.

Sister Margaret Mary Horton, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO, incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £800 (2022 – £1,100) to The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest (note 4).

During the year, the husband of Mrs Sheila Alder, a trustee of the Charity, provided consultancy services to the Charity in return for fees totalling £14,680 (2022 – £14,400). In addition, he was reimbursed £862 (2022 – £251) for out-of-pocket expenses. £nil was outstanding in respect to these services at 30 September 2023 (2022 – £nil).

During the year the year travelling expenses of £240 were reimbursed to two trustees (2022 - £nil).

There were no other related party transactions requiring disclosure (2022 – £nil).

Accounts

**The Charity
of the Regular
Canonesses of the
Order of the Holy
Sepulchre
of Our Lord**

Annual Report and Accounts

30 September 2022

Charity Registration Number
1167869

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

Trustees	Sister Moira O'Sullivan CRSS – Chair (ex-officio) Mrs Sheila Alder Ms Grainne Gilmore (from January 2023) Sister Margaret Mary Horton CRSS Sister Teresa Ann Hughes CRSS Mrs Jane Swadling Mr John Graham Tomlins
Prioress	Sister Moira O'Sullivan CRSS
Bursar	Sister Mary Christina Birmingham CRSS
Financial administrator	Mrs Anne Bray
Principal address	74 Howe Close Colchester Essex C04 3XD
Telephone	01206 867296
Charity (CIO) registration number	1167869
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Reliance Bank Limited Faith House 23-24 Lovat Lane London EC3R 8EB

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

Investment advisers/ managers	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET
	Sarasin and Partners LLP (until 1 October 2022) Juxon House 100 St. Paul's Churchyard, London EC4M 8BU
	James Hambro & Partners (until 1 October 2022) 45 Pall Mall London SW1Y 5JG
Land agents	Savills Parkview House Victoria Road South Chelmsford CM1 1BT
Solicitors	Howes Percival Solicitors The Guildyard 51 Colegate Norwich NR3 1DD
	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Conveyancers	Dyer and Crowe Limited 22 Duke Street Chelmsford CM1 1HL

The Trustees present the annual report and accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the "Charity") (the CIO) for the year ended 30 September 2022.

The report includes details of the works and aspirations of the Community of the Regular Canonesses of the Holy Sepulchre of Our Lord in England (the "Community") comprising 12 members being the one autonomous Community in England and part of an international Roman Catholic Religious Order which began in the 12th century.

The accounts accompanying this report are the accounts of the Charitable Incorporated Organisation (CIO) which is registered with the Charity Commission under Charity Registration Number 1167869 through which the assets of the Community in England are administered. The accounts have been prepared in accordance with the accounting policies set out on pages 29 to 35 of the attached accounts and comply with the Charity's Constitution, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objects, aims, objectives, activities and relevant policies

Charitable objects and aims

The Charity's objects, as set out in its Constitution, are in connection with the Roman Catholic Religion, carried out in ways and places chosen by the Trustees.

Within these charitable objects, the Charity has sought:

- ◆ To continue to be alert and active in meeting local needs in the three areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. However, increasing age profile, decreasing number of Community members and greater frailty will necessarily reduce the extent of our outreach.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.
- ◆ To continue to engage people around us in reflective discussions on spiritual questions. For the year we planned a programme exploring what 'Community' means especially in the post pandemic world.
- ◆ To continue work on our legacy going into the long-term future. This involves the continuation of work done through Durham University on our archives, and also through the newly-created Elijah's Pot CIO whose goal is the good stewardship of the monies we have received from the sale of our land.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community.

Objects, aims, objectives, activities and relevant policies (continued)

Principal activities during the year

In many ways the Charity has returned to pre pandemic norms although it is noticeable that the two years have taken their toll in terms of capacities and possibilities for activities for Community members.

Some of the aims of the Charity have been met in a more limited way than previously and Zoom remains a key means of reaching out to others.

This year has been a significant one for the Charity as the work on the legacy CIO – Elijah's Pot – has concluded and the first significant tranche of money has been transferred into that new CIO.

The Charity has struggled to get the relevant permissions to launch the Gateway of Hope project based at Inglis Road and this has been frustrating and time-consuming for Trustees and partners.

The sale of the Cundy Road property and the closure of that Community base brought about changes and challenges but also freed up some assets which enabled the Charity to commit to a part endowment of a Chair in Catholic Studies at Durham. This Chair will bear the name of the Community Foundress and is an important step in creating the Community legacy.

Volunteers

Throughout the year, members of the Community have given their time in a voluntary capacity to assist people who are in need. Almost all this work comes with no financial reward, but contributes significantly to the overall objectives of the Charity. The work has been adapted to the Covid 19 world but has continued to involve the following, albeit in a more measured way: education, spiritual guidance, parish work, local community outreach and hospital visiting. In addition, some sisters are involved in the administration of the Charity.

We are equally aware that the Charity's activities only function so well as a result of the many volunteers who give their time generously to further the objectives of the Charity. This includes those who support our outreach and also those who are part of our advisory groups supporting the Charity administration.

Conscious that we wish to report on the Community's voluntary work at the level of the minimum wage, we have therefore tried to give some overall sense this year of what that contribution is currently, from both Community members and volunteers.

We have estimated that on average we could claim that 100 hours a week voluntary work has been done on behalf of the Charity either by Community members or by our volunteers. The minimum living wage is currently £8.91 per hour. This amounts to over £800 a week of time voluntarily given to build up our local communities and support those in the greatest need.

We have made the change over to the new safeguarding services for Religious and are members of both RLSS and CSSA. Professor Alder has worked hard and thoroughly on this change over and is fully cognisant of how things operate. He has cascaded information and process to the Trustees and Community at every stage

Objects, aims, objectives, activities and relevant policies (continued)

Volunteers (continued)

This is our fifth year of working with a finance committee and their input has been key to our remaining in a relatively good financial position despite the downturns due to the pandemic and the war in Ukraine. They have worked hard to ensure a smooth transition of funds to Elijah's Pot CIO and to make funds available for the Durham Chair endowment.

Protection of Children and Vulnerable Adults

The Trustees recognise the absolute necessity of ensuring the protection and safety of all those people whom the Charity serves. All the sisters who are involved in any kind of ministry have been checked by the Disclosure and Barring Service (DBS), as have all the adult volunteers. The Trustees are committed to the implementation of all the policies and procedures proposed by RLSS and CSSA.

We can confirm that we have a written policy for safeguarding our vulnerable beneficiaries, and that there have been no serious incidents in respect to safeguarding to report during this last year.

Public benefit

All the Trustees are conversant with the Charity Commission's guidelines concerning Charities and Public Benefit and have given consideration to them when assessing our activities. We therefore believe that we have complied fully with the duty in Section 4 of Part 1 of the Charities Act 2011 to have due regard to the Public Benefit guidance published by the Commission.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The Charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of professional fundraisers.

We have effectively sought to monitor and assess the good use of monies given during the year through the hard and focussed work of one of the Trustees who has this as her particular responsibility.

The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the Charity received no complaints about its fundraising activities.

Investment policy

There are no restrictions on the Charity's power to invest. At 30 September 2022, the Charity's investments were managed by CCLA. The investment strategy is set by the Trustees with advice from their investment managers. It takes into account the Charity's income requirements for the year, the risk profile and the investment managers' views of the market prospects in the medium term.

Objects, aims, objectives, activities and relevant policies (continued)

Investment policy (continued)

The policy is to maximise total return through a diversified portfolio whilst providing a level of income as advised by the Trustees from time to time. The Trustees also have an Ethical Policy which precludes investment in any company, which after reasonable enquiry, clearly generates significant profits from an activity which is contrary to the objectives of the Catholic Church. This policy has been reviewed and updated during the year past.

The performance of the portfolios and the Charity's investment strategy are reviewed by the Trustees whose representatives meet with the investment managers on a regular basis.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry in the United Kingdom and overseas are decided on by the Trustees in consultation with other members of the Community as appropriate.

Whilst the Trustees give grants to United Kingdom organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Social and pastoral work of the Community

We have continued our active ministry where we are resident as far as possible. Our particular Ministries are chosen as expressions of our spirituality and charism, and stem directly from the essence of our identity as Canonesses of the Holy Sepulchre.

One of the most important aspects of our identity as Canonesses of the Holy Sepulchre is to live alongside people in their ordinary lives - seeking to bring God to people in the everyday circumstances of life, as well as in heightened personal or liturgical experiences. We are Community people, living community and building community wherever we are. Our Community life of prayer and ministry seeks continually to find appropriate and effective ways of living and sharing the Gospel with the people around us.

Our whole life therefore has a particular accent on inclusivity. Our moments of shared prayer are open to all and our Ministries often focus on people who may find themselves on the margins or who are losing hope.

We give concrete expression to our charism in ways best suited to the area where we are living. We respond to local needs in ways appropriate to the situation and to our skills and experience. We have continued to engage in relevant training, have secured funding for some of these activities, and have always sought to work collaboratively.

Keeping abreast of developments and legislation relevant to our ministry is always a point of attention and all of this has been done via Teams or Zoom again this year.

As has already been mentioned, changes in safeguarding structures has been high on our agenda and we have been fully engaged with those movements and proposals.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

Some of the Community members are also trustees of other charities including a housing charity, the Medaille Trust, and a youth centre in Chelmsford.

Wherever we are, our Community is a place of open, inclusive welcome, and that particular gift we bring to our local Communities and parishes. This has had to be modified during the year although we retain commitment to the spirit.

As Canonesses, we follow the Rule of St Augustine and we find inspiration in his dictum:

'Since you cannot do good to all, you are to pay special attention to those who, by the accidents of time, or place, or circumstances, are brought into closer connection with you.'

This has demanded some creativity and change in order to be safe and keep others safe.

1. Meeting local needs:

From September 2021 we have returned to more of a normal outreach programme after the pandemic. As we are all two years older, the outreach is necessarily more limited after two years of relative isolation.

In Melbourne most of the pre pandemic groups have restarted and there has been a full uninterrupted year of Homework Club (twice a week) ; Toddlers and the Wisdom group for the elderly. These groups are run by the Community but involve upward of 20 volunteers each week.



Homework Clubs also engage local sixth form students as helpers.

The Community also organised a week of summer activities for children which involved 40 children per day. This also engaged 11 young people – mostly from the estate – as team leaders – photos below.



The weekly friendship group – CCC – in Colchester has also met regularly.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

1. Meeting local needs: (continued)

Different members of the Community also volunteer with other local charities – with the Korban Project; the local foodbank; Beacon House (a charity which provides services for homeless people)

There is also collaboration with other local churches to provide activities for children and their families during the school holidays.

The Platinum Jubilee provided the occasion for several community building moments in Chelmsford and Colchester organised by the Community. This involved celebrations with local people; with families; a party for the elderly; celebrations for the Community and friends and family.



Some of the Jubilee moments - building and sustaining community

In 2018 this CIO gave a loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to enable them to purchase a property. The Trustees have had regular reports from this charity and have received annual reports from them. Based on the above, the Trustees decided in January 2023 to change the loan into a gift and measures are underway to put the legal steps in place to enable this.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

2. *Social and pastoral care for our sisters in Africa*

As our Community is part of a wider Association of Communities worldwide, we have continued to have a special care for our sisters based in the Democratic Republic of Congo and in Rwanda.

We support them through our prayer and material care with their basic needs. We also involve our many contacts in getting to know about the political and social situations in both countries.



The Christmas Giving scheme was run for the sixth year and again raised £2,200 (including sums donated) for particular named projects in Africa

We ran our home delivery tea box service to help raise funds for our African sisters. Members of the Community and volunteers ran this again this year and raised over £2,000 (including donations).



One of many happy gatherings

The annual 'Africa Newsletter' has again been sent to all donors and this updates our friends and benefactors on the different projects we have been supporting and also raises awareness of the human, political and social issues which make life so precarious in those countries.

The Trustees have sent money to the sisters in the Congo and Rwanda during the year and have received full accounts of monies received and spent. This is part of the process which has to be completed satisfactorily before another tranche is sent. The main monies sent to Africa will now be sent from the monies transferred to Elijah's Pot and this CIO will only be sending money from fundraising and smaller gifts from the Community.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

2. *Social and pastoral care for our sisters in Africa (continued)*

The projects supported this year have included: the health provision in Goma; a school in Rwanda for children and young people with physical disabilities; and a health centre care in Kindu – representative photos below.



3. *Finding opportunities to engage in reflection and discussion on spiritual questions*

The Community continued to offer opportunities to pray and reflect together throughout the year. There are open prayer times four times a week. There is a weekly selection of readings and reflections sent every Saturday.

During Advent and Lent there were reflective Zooms each week.

For six weeks during Lent the course Life On the Breadline was run looking at the poverty experienced by many in our society.



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

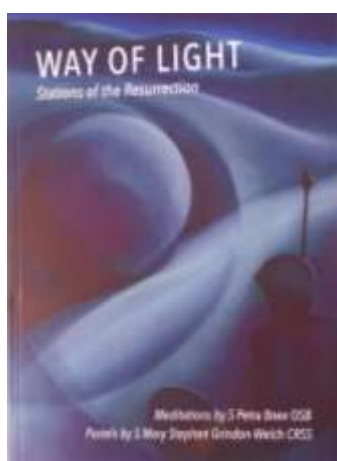
3. Finding opportunities to engage in reflection and discussion on spiritual questions (continued)

This is the response from one of the participants:

"Thank you so much for all the work you have put in to making Life on the Breadline such a deeply challenging and successful experience for us. I have been both inspired and challenged by all the ideas and suggestions put forward over the past weeks. I do really think that one of the solutions to poverty lies in a change of direction from government. So many people seem in a state of despair at present with everything that has been happening both here and across the world. It is hard to be upbeat at the moment when life is so hard for so many people."

The theme of COMMUNITY has also been explored through the year and there were sessions run by various eminent theologians which attracted sizeable audiences. These included Dr Lea Verstricht; Dr Gemma Simmonds and Professor John McCafferty.

These sessions were all on zoom but the celebration at the end of the theme year took place in the real and it was a very special moment of prayer and companionship after so many virtual meetings – photo below.



Some of Sister Mary Stephen's paintings have been put into book form alongside some reflective pieces and these have been made available for sale

During the pandemic we offered prayer and support for people suffering loss and bereavement and this also has taken a physical shape in the making of a prayer tapestry which contains names and dates of people known to the Community who have died during 2020 and 2021. The people who have died and their families are also part of the regular Community prayer. This tapestry has been available to see in both Colchester and Melbourne and has brought comfort and hope to many people who had been bereaved.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

3. *Finding opportunities to engage in reflection and discussion on spiritual questions (continued)*



The Community has also prayed daily for peace in Ukraine and organised a prayer vigil in the Melbourne parish church.



4. *Work on our legacy*

Dr Cormac Begadon has continued his research into the Community's long history, funded for another year by the CIO. He has reported back regularly on his work and all the Trustees were invited to an open lecture at New Hall on the Community Foundation Day on 8 October 2021.



Dr Begadon and Dr Kelly at New Hall.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

4. *Work on our legacy (continued)*

There was another session after Easter in our house in Colchester.

The Trustees have agreed to making a £1.2 million endowment to part fund a Chair in Catholic Studies at the Centre for Catholic Studies in Durham and the title of this Chair will bear the name of our Foundress. The discussions as to how and when to make this donation are on-going, but the Trustees believe that this Chair and its future will carry on the Community legacy well beyond the life of the sisters.



Trustees have also agreed to use the services of an experienced researcher to narrate all aspects of the last 35-40 years life. This will be a chronicle of change and decline as well as creativity and hope. This project could take about two years to complete. Detailed arrangements and agreements are currently being finalised.

5. *Good stewardship of land sale monies*

The Trustees have made good progress in creating the structures needed for the long term stewardship and legacy of the Community. There are now three new CIOs funded from the CIO's money, namely the Cemetery CIO, OODIL and Elijah's Pot.

As reported earlier, the legacy CIO, Elijah's Pot, is now established and £4.68 million has been transferred to that CIO.

New major donations and regular smaller donations will in future be made from the legacy CIO and no longer from the CIO.

The CIO's Trustees are receiving annual reports from this legacy CIO and also from the Cemetery CIO and OODIL CIO. Trustees from the three new CIOs shared their annual report and accounts with the CIO's Trustees.

Sheila Alder has particular responsibility to ensure that the Trustees receive full reports from any donations made by the Trust. This task will obviously diminish now that the substantial amount of funds has been transferred to Elijah's Pot.

As mentioned earlier, the property in Inglis Road, purchased for the Gateway of Hope project remains in the CIO's portfolio. The initial request for change of use was refused and this went to appeal. The Trustees engaged the services of Boyer Planning to prepare and submit all the planning documents.

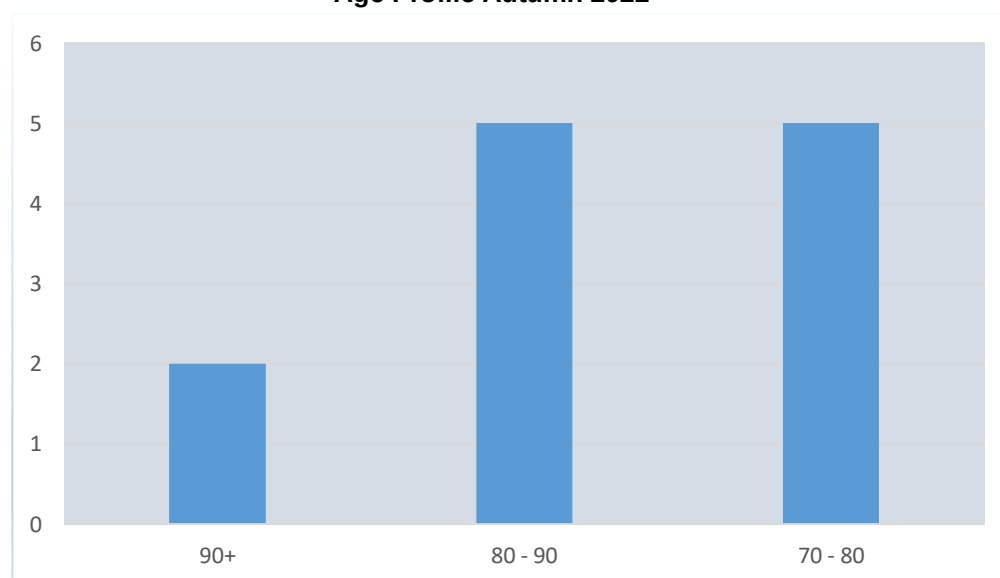
Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

6. *Care for our own Community members*

In common with many Religious Orders and Congregations in England, the profile of our Community shows an increasing average age. Two elderly sisters have continued to need significant care and support. We have been well served by the National Health and local Care Services but have also felt the need to supplement that provision with further resources in order to give the fullest support and dignity to those two members of the Community.

Age Profile Autumn 2022



The Community is committed, both morally and legally, to provide care for all its sisters, none of whom has resources of her own. The Trustees are aware of the need to make provision for the future care of each sister and therefore continue to give careful attention to the Community's property requirements and financial needs both now and in the years ahead. The Trustees have continued to address the needs for good maintenance and repair for the properties already in their possession and occupied by the sisters. The Trustees are also conscious of the need to exercise good stewardship towards the planet and to leave a positive lasting legacy in favour of the environment.

During this last year, there has been an increased need for domestic support and this has been accounted for in the recommendations made by the finance committee to the Trustees. Paul Thompson who was employed as a support for the Colchester group has been able to turn his hand to a variety of tasks and has become an invaluable general factotum. He has recently taken on the first stages of doing the Colchester house accounts as he is himself a retired accountant.

The Community continue to use Zoom very regularly both with others and just amongst themselves and this helps especially those whose mobility and outside contacts are limited.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

6. Care for our own Community members (continued)

In our long term planning and budgeting, Trustees have continued to look at the needs and well-being of each of the sisters in a holistic way, and make appropriate annual budget provision.

As there has been a need for 'in house' care Trustees are aware that they should ensure that each sister has the space and time she needs to be able to give of herself to those most in need in the house. Each sister has therefore been encouraged to take the recreational and retreat time away that she needs, and to be involved in regular activities such as art or music.

Covid-19 and the war in Ukraine

This is the third year wherein our reporting narrative and financial results have been significantly affected by external world circumstances – firstly the pandemic and then also the war in Ukraine.

Our finance committee has guided us through the volatilities of the stock market in a very able way and our financial recovery has been good, aided by the careful realigning of our assets.

Whilst there will undoubtedly be challenges ahead, we do not expect material concerns to arise over the Charity's financial position.

Financial review

Results for the year

A summary for the results of the year ended 30 September 2022 can be found on page 26 of the accounts.

Total income for the year amounted to £391,369 (2021 – £571,699). Of the income £145,609 (2021 – £145,198) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £120,183 (2021 – £120,653) covenanted to the Charity. Investment income and interest receivable totalled £163,718 (2021 – £196,906).

Expenditure totalled £5,107,313 (2021 – £806,818). Donations payable of £4,730,831 (2021 – £438,903) including £4,588,375 (2021 – £nil) to Elijah's Pot CIO were made from the charitable donation fund. Further details of donations payable in the year are given in note 4 of the accounts. Expenditure incurred on maintaining the members of the Community and supporting them in their pastoral work and ministry amounted to £336,515 (2021 – £312,027) and includes expenditure on governance of £22,800 (2021 – £21,084).

During the year to 30 September 2022, losses of £863,596 (2021 – gains of £1,651,437) arose on the Charity's listed investments reflecting the decline in stock market indices due to the macroeconomic and geopolitical climate. Net expenditure for the year and net decrease in funds was £5,579,540 (2021 – net income and net increase in funds of £1,416,318).

Financial review (continued)

Investment performance

The Charity's listed investment portfolio generated an annual income yield of 0.94% (2021 – 1.26%) and a negative capital yield of 7.1% (2021 – positive capital yield of 14%) reflecting the decline in stock market indices due to the macroeconomic and geopolitical climate. The trustees continue to take a long-term view and believe their investment policy continues to be applied and remains appropriate.

Reserves policy and financial position

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the Charity's work, the level of free reserves should be approximately equal to two years' ongoing expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

The balance sheet shows total funds of £13,933,060 (2021 – £19,512,600). Of these funds, £136,112 (2021 – £153,749) are restricted and are to be applied for specific purposes. £3,101,027 (2021 – £3,134,773) are represented by freehold properties, excluding the property representing the Gateway of Hope designated fund, and other tangible fixed assets and £250,000 (2021 – £250,000) by the Charity's programme related investments. A decision was made to separate these funds from the general fund in recognition of the fact that assets are used in the day-to-day work of the Charity or by organisations for charitable purposes in line with the Charity's objects, and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Funds totalling £9,900,180 (2021 – £14,705,153) have been designated, or set aside, by the Trustees for specific purposes. £5,450,000 (2021 – £5,000,000) has been set aside to meet the costs for the care and welfare of the sisters in their old age. The amount set aside has been calculated, using actuarial methods, to provide a modest sum towards the upkeep and care of the sisters in years to come.

Following the sale of the investment property comprising land at New Hall in October 2014, funds totalling approximately £12.5 million were set aside in a 'charitable donation fund' to be used to finance grants and donations including new charitable projects overseas. The balance on this fund at 30 September 2022 was £3,150,180 (2021 – £8,399,591). A balance of £1,300,000 remained on the designated Gateway of Hope fund, to make provision of housing for women in the Criminal Justice system. Further details about these funds are given in note 18 to the accounts.

Funds which are available to support the work of the sisters in the future are those shown on the balance sheet as the general fund and total £545,741 (2021 – £1,268,925). The Trustees believe that these free reserves are adequate but not excessive and consistent with the Charity's reserves policy outlined above.

Future plans for the Charity and the Community

In the forthcoming year, it is our intention to meet the following particular objectives.

The safety of-Community members, especially the oldest ones, has to be our priority.

- ◆ To continue to be alert and active in meeting local needs in the three areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. Increasing age profile, decreasing number of Community members and greater frailty will necessarily reduce the extent of this outreach.
- ◆ To bring the Gateway of Hope project to a conclusion.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.
- ◆ To continue to engage people around us in reflective discussions on spiritual questions. For the coming year we have planned a programme exploring what 'Listening' means in a variety of contexts. This period of reflection will also include preparation for the next General Chapter which is due to take place in Belgium in August 2023.
- ◆ To continue work on our legacy going into the long-term future. This will involve finalising arrangements for establishing the Chair in Catholic Studies at Durham. It will also involve 'writing the final chapter' of our story with a researcher experienced in working with Religious Communities.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community.

Structure, governance and management

The Charity is a Charitable Incorporated Organisation (CIO) governed by a Constitution dated and agreed by the trustees on 15 June 2016 and registered with the Charity Commission on 27 June 2016. The Constitution was amended on 30 March 2021.

Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

Trustees

The names of the Trustees and details of changes during the year are given on page 1 of this annual report and accounts.

At any time there must be a minimum of three trustees. The Prioress for the time being is automatically, ex officio, a charity trustee for as long as she holds that office. The Conventual Chapter may appoint additional charity trustees by a resolution at a properly convened meeting of the Conventual Chapter for: (i) in the case of an individual who is a member of the Community for such period of office as the Conventual Chapter shall determine; and (ii) in all other cases for a term of three years or such other term as the Conventual Chapter shall decide.

Structure, governance and management (continued)

Governance

In terms of Canon Law, the highest authority in the Community is the Conventual Chapter, which is made up of all the perpetually professed members of the Community. The Chapter elects a Prioress every 6 years and the Prioress is de facto a Trustee of the Charity. As is expected in the Community's Constitutions, Community members meet regularly as a full Chapter to reflect on the mission and to examine the life style and finances of the Community. Community members are involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Our finance assistant is now the clerk to the Trustees and last year attended the Provincial Bursars' Conference and cascaded back to the Trustees on the following:

- ◆ Climate issues
- ◆ Employment law
- ◆ Disaster planning
- ◆ Cyber security

During the year, the Conventual Chapter voted to accept a further lay Trustee onto the board, thus putting Community members in the minority. Ms Grainne Gilmore, a former pupil at New Hall, was invited to become a Trustee and she accepted. She attended her first meeting in January 2023.

Organisational Management

In terms of Civil Law, the Trustees of the Charity, are legally responsible for the overall management and accounting of the Charity and for safeguarding the assets of the Charity. They receive no remuneration or expenses for their service as Trustees. The Trustees meet once a month on average to review developments within the Charity, and to take decisions. The Trustees are supported by professional advisers, the most significant of these in daily management terms being our lay financial administrator. Other professionals, including investment managers, solicitors, and auditors are consulted as appropriate. Trustees have delegated responsibilities and try to keep updated within their areas on recommended best practice regarding appropriate policy requirements.

The Community is involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Risk Management

The Trustees recognise their responsibility for the management of risks faced by the Charity, the Community and its individual members.

Structure, governance and management (continued)

Risk Management (continued)

We continue to review and update our risks as well as the documents and procedures put in place the previous year under the guidance of our Compliance Co-ordinator.

The areas identified for particular attention within our risk management strategy are:

- ◆ Governance and management
- ◆ Maintenance and Health and Safety
- ◆ Financial
- ◆ Litigation
- ◆ Reputational

The Trustees have continued to operate within the key areas of risk controls which include:

- ◆ Regular and frequent meetings of the Trustees with formal agendas and minutes;
- ◆ Comprehensive strategic planning, budgeting and management accounting;
- ◆ Established organisational structures and lines of accountability;
- ◆ Regular meetings with professional advisors to whom all our business is transparent;
- ◆ Establishing a clear authorisation and approved levels of decision-taking and spending; and
- ◆ Putting in place vetting procedures required by law for the protection and safeguarding of the vulnerable.

Time-frames exist for the annual monitoring of the risk assessments.

The key risks which faced the Charity during the year are as follows:

- ◆ An analysis of the age profile of the members of the Community shows that the average age in the Community at 30 September 2022 was in excess of 80 years. The Trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the Charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

Structure, governance and management (continued)

Risk Management (continued)

- ◆ Operationally the Charity works with children and vulnerable adults including older people. The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the Charity serves. This means that Sisters engaged in any ministry and all those who work or volunteer for the Charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The Trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA).
- ◆ The Charity donates significant sums in support of the activities of overseas Religious Communities with which the Sisters are associated and to other organisations. Whether or not the funds are used here in Great Britain or overseas, the Trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The Charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investments are monitored closely by the Finance Committee who meet regularly and adopt a pro-active position to change. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs both now and in the future. The Trustees meet with the Chair of the Finance Committee for regular updates. We have worked closely with our finance group and investment managers to ensure that as far as we are able, we do not invest in ways which impact negatively on the environment.

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity of the incoming resources and application of resources of the Charity for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice 2015 FRS 102 (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

Statement of Trustees' responsibilities (continued)

- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

Key management personnel

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

Certain of the Trustees are members of the Community whose living and personal expenses are borne by the Charity. None of the Trustees receive any remuneration or reimbursement of expenses in connection with their duties as Trustees or key management personnel.

Signed on behalf of the Trustees:

Maira O'Sullivan

Approved by the Trustees on: 13/4/23

Independent auditor's report to the Trustees of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord

Opinion

We have audited the accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the 'Charity') for the year to 30 September 2022, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 30 September 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

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

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011); and
- ◆ We understood how the Charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of Trustees' meetings.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
- ◆ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◆ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◆ Identifying and testing journal entries;
- ◆ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Performed substantive testing on expenditure; and
- ◆ Tested journal entries to identify unusual transactions.

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

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

- ◆ Reading the minutes of meetings of those charged with governance; and
- ◆ Enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

5 May 2023

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

Statement of financial activities Year to 30 September 2022

	Notes	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £
Income from:							
Donations and legacies	1	126,041	19,568	145,609	128,538	16,660	145,198
Income from charitable activities		28,380	—	28,380	19,765	—	19,765
Other trading activities							
. Fundraising events		4,454	—	4,454	5,793	—	5,793
Investments and interest receivable	2	163,718	—	163,718	196,906	—	196,906
Other sources							
. Miscellaneous income		1,771	—	1,771	1,746	—	1,746
. Surplus on disposal of tangible fixed assets and sundry artifacts		47,437	—	47,437	202,291	—	202,291
Total income		371,801	19,568	391,369	555,039	16,660	571,699
Expenditure on:							
Raising funds	3	39,967		39,967	55,888	—	55,888
Charitable activities							
. Grants, donations and support of missionary work and ministry	4	4,705,271	25,560	4,730,831	412,897	26,006	438,903
. Support of members of the Community and their ministry	5	324,870	11,645	336,515	308,519	3,508	312,027
Total expenditure		5,070,108	37,205	5,107,313	777,304	29,514	806,818
Net expenditure before investment (losses) gains	8	(4,698,307)	(17,637)	(4,715,944)	(222,265)	(12,854)	(235,119)
Net (losses) gains on listed investments		(863,596)	—	(863,596)	1,651,437	—	1,651,437
Net (expenditure) income and net movement in funds		(5,561,903)	(17,637)	(5,579,540)	1,429,172	(12,854)	1,416,318
Reconciliation of funds:							
Total funds brought forward at 1 October 2021		19,358,851	153,749	19,512,600	17,929,679	166,603	18,096,282
Total funds carried forward at 30 September 2022		13,796,948	136,112	13,933,060	19,358,851	153,749	19,512,600

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

All of the Charity's activities derived from continuing activities in each of the above two financial years.

Balance sheet 30 September 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		4,004,089		4,026,039
Investments	12		12,160,323		13,964,318
Programme related investments	13		250,000		250,000
			16,414,412		18,240,357
Current assets					
Debtors	14	47,354		28,479	
Short term deposits		—		365,956	
Cash at bank and in hand		2,266,577		1,400,724	
		2,313,931		1,795,159	
Current liabilities					
Creditors: amounts falling due within one year	15	(4,795,283)		(522,916)	
Net current (liabilities) assets			(2,481,352)		1,272,243
Total net assets			13,933,060		19,512,600
The funds of the Charity:					
Unrestricted income funds					
. General fund			545,741		1,268,925
. Tangible fixed assets fund	16		3,101,027		3,134,773
. Programme related investments fund	17		250,000		250,000
. Designated funds	18		9,900,180		14,705,153
			13,796,948		19,358,851
Restricted funds	19		136,112		153,749
			13,933,060		19,512,600

Approved by the Trustees
and signed on their behalf by:

Moira O'Sullivan

Trustee

Approved on: 13/4/23

Statement of cash flows Year to 30 September 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(601,710)	(434,680)
Cash flows from investing activities:			
Investment income		176,068	212,270
Purchase of tangible fixed assets		(34,696)	(1,465,664)
Proceeds from the disposal of tangible fixed assets and artefacts		40,418	221,178
Proceeds from the disposal of listed investments		1,718,569	10,081,745
Cash withdrawn from COIF Charities Fund deposit held as fixed asset investments		333,344	408,451
Purchase of investments		(1,081,084)	(9,490,986)
Net cash provided by (used in) investing activities		1,152,619	(33,006)
Change in cash and cash equivalents in the year		550,909	(467,686)
Cash and cash equivalents at 30 September 2021		1,795,744	2,263,430
Cash and cash equivalents at 30 September 2022	B	2,346,653	1,795,744

Notes to the statement of cash flows for the year to 30 September 2022

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

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(5,579,540)	1,416,318
Adjustments for:		
Depreciation charge	52,805	62,756
Donation of property to OODIL CIO (note 22)	—	300,000
Losses (gains) on listed investments	863,596	(1,651,437)
Surplus on disposal of tangible fixed assets and artefacts	(47,437)	(202,291)
Investment income and interest receivable	(163,718)	(196,906)
Increase in debtors	(20,365)	(2,275)
Increase (decrease) in creditors	4,292,949	(160,845)
Net cash used in operating activities	(601,710)	(434,680)

B Analysis of cash and cash equivalents

	At 1 October 2021	Cash flows	At 30 September 2022
Cash at bank and in hand	1,400,724	865,853	2,266,577
Short term deposits	365,956	(365,956)	—
Cash held by investment managers	29,064	51,012	80,076
Total cash and cash equivalents	1,795,744	550,909	2,346,653

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 30 September 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 September 2022, with comparative information given in respect to the year to 30 September 2021.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

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

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

- ◆ Assessing the probability of the receipt of legacy income;
- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of determining the depreciation charge;
- ◆ Estimating the value at the time of disposal of assets donated to third parties;
- ◆ Determining the apportionment of support costs between the various categories of expenditure;
- ◆ Determining the value of the designated funds needed at the year end and, in particular, estimating the size of the retirement reserve created in order to provide for the continuing care of the members of the Community for the remainder of their lives; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees acknowledge and recognise the residual impact of the Covid-19 pandemic on the Charity and the impact of the current macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the Charity is a long term investor. The Charity's Trustees keep a watching brief over the markets.

Undoubtedly there will be challenges ahead but the Trustees do not expect material concerns to arise over the Charity's financial position or going concern. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income

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

Income comprises donations, legacies, income from other trading activities i.e. fundraising events, investment income, interest receivable and income from other sources, including any surplus on disposal of tangible fixed assets.

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

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably or the Charity has been notified of the executor's intention to make a distribution.

Income (continued)

Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

Income from charitable activities includes rental income from property rented to individuals whose needs fall within the Charity's objectives,

Income from small scale fundraising events is accounted for when the Charity has confirmation of the amount due and receipt of the funds is probable. This will normally be on the date of the relevant fundraising event itself.

Investment income is recognised once the dividend or similar distribution has been declared and notification has been received of the amount due.

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

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

All other income is recognised to the extent that it is probable that the economic benefits will flow to the Charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

The costs of raising funds include direct costs and overheads associated with managing investment property, managing listed investments, and organising small scale fundraising activities.

Expenditure (continued)

The costs of charitable activities comprise expenditure on the Charity's primary charitable purposes as described in the Trustees' report. Such costs include:

- ◆ **Grants, donations and support of missionary work and ministry**

Grants, donations and support of missionary work and ministry relates to the support of work overseas carried out by Communities of sisters with which the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is associated and the support of other charitable organisations with objectives consistent with those of the Charity.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise both single year payments and multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants meeting this criteria but which are not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

- ◆ **Support of members of the Community and their ministry**

This comprises expenditure incurred on the maintenance, living and personal expenses of members of the religious community.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs are the costs associated with the governance arrangements of the Charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Community and enabling their ministry, with a small proportion allocated to expenditure on raising funds and provision of donations and grants. The allocation is based on the time spent on individual activities.

Tangible fixed assets

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

- ◆ Land and buildings

- ◇ Non-specialised property

- Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and buildings are included in the accounts at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the Trustees, who are satisfied that their residual value is not materially less than their book value.

- ◇ Specialised property

- Specialised buildings comprise the Charity's large residential convent which is included in the account at cost. Depreciation is provided at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the Charity. No depreciation is charged until a property is brought into use.

- ◆ Motor vehicles

Motor vehicles are capitalised and depreciated 25% per annum on cost in order to write off each asset over its estimated useful life.

- ◆ Furniture, fittings, equipment and computers

Furniture, fittings, equipment and computers are capitalised and depreciated at rates between 6.67% and 33.33% per annum on cost in order to write off each asset over its estimated useful life.

Fixed asset investments

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

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

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

Investment property, comprising land and buildings, is included in the accounts at fair value which is deemed to be open market value as at the year end date as determined by the Trustees after seeking appropriate professional advice (see note 11 to these accounts for further details).

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

Programme related investments

Programme related investments comprise a loan to another organisation to finance the purchase of land, in order to be used for purposes consistent with the Charity's objectives. The assets are stated at cost. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities. Further details are given in note 14 to the accounts.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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

Fund structure

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

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

The programme related investment fund represents the net book value of the Charity's programme related investments.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds represent monies raised for a specific purpose or monies subject to donor imposed restrictions.

Details of designated and restricted funds are given in the notes to the accounts.

Pension costs

The Charity offers its employees membership of a defined contribution pension scheme administered by Legal and General.

Employer's contributions in respect to defined contribution pension schemes are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Community

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

1 Income from: Donations and legacies

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	120,183	—	120,183	120,653	—	120,653
Voluntary income – Greenstead project	—	1,445	1,445	—	625	625
Voluntary income – Melbourne Project	—	7,778	7,778	—	5,793	5,793
Other donations and similar income	5,858	10,345	16,203	6,885	10,242	17,127
Legacies receivable	—	—	—	1,000	—	1,000
	126,041	19,568	145,609	128,538	16,660	145,198

2 Income from: Investments and interest receivable

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Investment income						
. Unit trusts and common investment funds	97,327	—	97,327	34,171	—	34,171
. UK equities	5,801	—	5,801	59,978	—	59,978
. Overseas equities	12,182	—	12,182	26,541	—	26,541
. UK fixed interest	—	—	—	24,649	—	24,649
. Overseas fixed interest	—	—	—	2,567	—	2,567
. Alternative	1,091	—	1,091	5,341	—	5,341
	116,401	—	116,401	153,247	—	153,247
Rental income from investment properties	35,659	—	35,659	29,341	—	29,341
Interest receivable	2,908	—	2,908	5,568	—	5,568
Income from programme related investments	8,750	—	8,750	8,750	—	8,750
	163,718	—	163,718	196,906	—	196,906

3 Expenditure on: Raising funds

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Rental property expenses	5,781	—	5,781	7,375	—	7,375
Investment management fees	17,954	—	17,954	31,494	—	31,494
Activities for generating funds	1,062	—	1,062	1,158	—	1,158
Allocation of support costs (note 6)	15,170	—	15,170	15,861	—	15,861
	39,967	—	39,967	55,888	—	55,888

4 Expenditure on: Grants, donations and support of missionary work and ministry

	2022			2021		
	Un-restricted funds £	Restricted funds £	Total funds £	Un-restricted funds £	Restricted funds £	Total funds £
Support of missionary work and ministry						
. Grants in support of overseas missions	38,232	23,260	61,492	22,039	23,869	45,908
Donations of £1,000 or more to institutions						
. CAFOD	12,500	—	12,500	4,500	—	4,500
. Sanctus	—	—	—	2,131	—	2,131
. The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO (note 22)	1,100	—	1,100	63,578	2,137	65,715
. Durham University	64,165	—	64,165	—	—	—
. Elijah's Pot CIO	4,588,375	—	4,588,375	—	—	—
. OODIL CIO (note 22)	—	2,000	2,000	300,000	—	300,000
	4,666,140	2,000	4,668,140	370,209	2,137	372,346
Other donations to institutions	3,972	300	4,272	4,771	—	4,771
Refund of an unused donation given to Essex Community Foundation in 2016	(21,711)	—	(21,711)	—	—	—
Donations to individuals	140	—	140	96	—	96
Allocation to support costs (note 6)	18,498	—	18,498	15,782	—	15,782
	4,705,271	25,560	4,730,831	412,897	26,006	438,903

Donations to individuals include payments to 4 (2021 – 3) individuals.

OODIL CIO was incorporated on 9 December 2019, Charity Registration Number 1186851. It's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford and the town of Colchester. During the year, the Charity donated cash of £2,000 to OODIL CIO (2021 – a property valued at £300,000 was donated to help establish the CIO and to enable it to fulfil its charitable objectives).

The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO ("the Cemetery CIO") was incorporated on 26 May 2020, Charity Registration Number 1189656. During the year, the Charity donated £1,100 to the Cemetery CIO. In 2021 the Charity donated £65,715 to the Cemetery CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest.

Elijah's Pot CIO was incorporated on 6 September 2021, Charity Registration Number 1195718. During the year, the Charity donated £4,588,375 (2021: £nil) to Elijah's Pot CIO to help establish the CIO and enable it to fulfil its charitable objectives of grant-making to support those that are disadvantaged, oppressed or discriminated against in the UK and elsewhere. £25,000 was paid in the year and the balance is included within creditors.

Durham University

The Trustees of the Charity are working with Durham University to establish a Chair in the History of Catholicism and have agreed in principle to donate £1.2 million over the next four years. A contract in relation to the grant is currently being negotiated. A liability will be recognised once the contractual arrangements have been agreed.

5 Expenditure on: Support of members of the Community and their ministry

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Premises	64,026	—	64,026	59,289	—	59,289
Depreciation	52,805	—	52,805	62,756	—	62,756
Living and personal expenses	62,759	—	62,759	58,622	—	58,622
Healthcare costs	29,077	—	29,077	5,846	—	5,846
Retreats, spiritual direction, formation and other similar expenses	3,062	—	3,062	3,618	—	3,618
Melbourne Project	—	10,828	10,828	—	2,860	2,860
Greenstead Project	—	817	817	—	648	648
Allocation of support costs (note 6)	113,141	—	113,141	118,388	—	118,388
	324,870	11,645	336,515	308,519	3,508	312,027

6 Support costs

	2022			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (note 9)	3,676	3,676	68,047	75,399
Other costs	1,206	1,206	22,317	24,729
Professional fees	4,588	9,056	10,237	23,881
Governance costs (note 7)	5,700	4,560	12,540	22,800
	15,170	18,498	113,141	146,809

	2021			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (note 9)	3,562	3,562	65,054	72,178
Other costs	1,254	1,254	22,900	25,408
Professional fees	5,774	6,749	18,838	31,361
Governance costs (note 7)	5,271	4,217	11,596	21,084
	15,861	15,782	118,388	150,031

The Charity has allocated its support costs on a basis consistent with the use of resources.

7 Governance costs

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Professional fees	22,800	—	22,800	21,084	—	21,084

8 Net (expenditure) income and net movement in funds

This is stated after charging:

	2022 £	2021 £
Staff costs (note 9)	75,399	72,178
Depreciation	52,805	62,756
Auditor's remuneration (including VAT)		
. Statutory audit current year	19,200	19,200
. Statutory audit prior year	3,600	1,356
. Other services	—	528

9 Staff costs, key management personnel and transactions with Trustees

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	70,442	67,678
Social security costs	1,435	1,116
Other pension costs	3,522	3,384
	75,399	72,178

The number of employees during the year was as follows:

	2022 No.	2021 No.
Support of members of the Community and their ministry		
. Average	3.0	3.0
. Full time equivalent	1.6	1.6

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2021 – none).

The Trustees of the Charity comprise the Charity's key management personnel. They received no remuneration in connection with their duties as Trustees or their role as key management personnel during the year (2021 – none).

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees who are members of the Community to the Charity was £33,154 (2021 – £31,421).

Two trustees had expenses of £253 (2021 - £nil) reimbursed to them for travel.

10 Taxation

The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is a registered Charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings		Furniture, fittings, equipment & computers	Motor vehicles	2022 Total
	Specialised property £	Non-specialised property £	£	£	£
Cost					
At 1 October 2021	3,027,727	1,529,282	30,545	68,898	4,656,452
Additions	11,796	500	—	22,400	34,696
Disposals	—	—	—	(18,890)	(18,890)
At 30 September 2022	3,039,523	1,529,782	30,545	72,408	4,672,258
Depreciation					
At 1 October 2021	553,134	5,312	18,549	53,418	630,413
Charge for the year	42,729	—	4,624	5,452	52,805
Released on disposal	—	—	—	(15,049)	(15,049)
At 30 September 2022	595,863	5,312	23,173	43,821	668,169
Net book values					
At 30 September 2022	2,443,660	1,524,470	7,372	28,587	4,004,089
At 30 September 2021	2,474,593	1,523,970	11,996	15,480	4,026,039

Land and buildings include a property purchased in the prior year and subject to a long lease originally of 150 years, commencing on 1 March 2007. The net book value of this property at 30 September 2022 was £202,410. All other land and buildings owned during the year were freehold.

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

12 Fixed asset investments

	Investment properties £	Listed investments £	2022 Total £	2021 Total £
Market values				
At 1 October 2021	1,170,000	12,431,910	13,601,910	12,413,422
Additions at cost	—	1,081,084	1,081,084	9,490,986
Disposals (see below)	—	(1,866,223)	(1,866,223)	(9,052,069)
Net unrealised investment (losses) gains	—	(736,524)	(736,524)	749,571
At 30 September 2022	1,170,000	10,910,247	12,080,247	13,601,910
COIF Charities deposit fund	—	—	—	333,344
Cash held by investment manager for reinvestment	—	80,076	80,076	29,064
Total investments at 30 September 2022	1,170,000	10,990,323	12,160,323	13,964,318
Cost of investments at 30 September 2022	294,258	10,425,363	10,719,621	11,435,188

12 Fixed asset investments (continued)

Disposals at book value included above are made up of the following:

	2022 £	2021 £
Proceeds	1,718,569	10,005,081
Realised losses (gains)	147,654	(953,012)
Disposals at book value	1,866,223	9,052,069

Investment properties

The investment property comprises four residential properties:

- ♦ A farmhouse, barn and adjoining land which was valued at £320,000 by the Trustees based on indicative market values but subject to life tenancy at a peppercorn rent, using information provided by Elwell Taylor, Chartered Surveyors on 11 November 2020. The Trustees believe there to have been no material change in valuation between 11 November 2020 and 30 September 2022.
- ♦ Three residential properties which were revalued on an open market value basis on 11 November 2020 by the Trustees based on indicative market values provided by Elwell Taylor, Chartered Surveyors. The market values of these properties were £850,000 as at that date. The Trustees believe there to have been no material change in valuation between 11 November 2020 and 30 September 2022.

Listed investments

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

At 30 September 2022, listed investments and cash held by investment managers for reinvestment included £177,911 (2021 – £484,679) representing amounts administered on behalf of individual members of the Community (note 15). Included within the net losses on investments for the period are net losses of £20,582 relating specifically to these investments (2021 – net gains of £51,146). The net losses (2021 – gains) are reflected in the amount due to individual members of the Community and hence they are not accounted for through the statement of financial activities.

Listed investments held at 30 September 2022 comprised the following:

	2022 £	2021 £
UK unit trusts and common investment funds	9,132,600	10,426,413
UK equities	135,493	355,787
Overseas equities	1,252,547	1,422,662
Alternatives and commodities	389,607	227,048
	10,910,247	12,431,910

12 Fixed asset investments (continued)

Listed investments (continued)

At 30 September 2022, the following individual holdings were deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	6,426,934	58.90%
Sarasin Climate Active Endowments Fund Class A Inc	2,705,666	24.80%

At 30 September 2021, the following individual holdings were deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	6,370,723	51.2
Sarasin Climate Active Endowments Fund Class A Inc	4,055,690	32.6

13 Programme related investments

At 30 September 2022, the Charity held investments which were held directly in pursuit of the organisation's charitable activities as follows:

	2022 £	2021 £
At 1 October 2021 and 30 September 2022	250,000	250,000

During the year to 30 September 2018, the Charity advanced a loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to assist in purchasing a property. This property will be used to provide shelter to young homeless adults, a purpose consistent with the Charity's objects. The loan is secured by a charge over the property and is subject to a fixed interest rate of 3.5% and is repayable by December 2027.

As noted in the trustees' report, the Trustees decided in January 2023 to change the loan into a gift and measures are underway to put the legal steps in place to enable this.

14 Debtors

	2022 £	2021 £
Proceeds receivable from sale of tangible fixed assets	10,860	—
Investment income and interest receivable	17,650	9,662
Sundry debtors	2,708	4,030
Prepayments	16,136	14,787
	47,354	28,479

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Monies administered by the Charity on behalf of individual members of the religious Community	177,911	485,393
Expense creditors	34,797	17,321
Other taxes and social security costs	—	1,002
Donations payable (note 4)	4,563,375	—
Expense and other creditors	19,200	19,200
	4,795,283	522,916

Monies administered by the Charity on behalf of individual members of the religious Community comprise listed investments.

16 Tangible fixed assets fund

	2022 £	2021 £
At 1 October 2021	3,134,773	2,942,018
Net movement in the year	(33,746)	192,755
At 30 September 2022	3,101,027	3,134,773

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

17 Programme related investment fund

	2022 £	2021 £
At 1 October 2021 and 30 September 2022	250,000	250,000

The programme related investment fund represents the value of the Charity's programme related investments both fixed and current assets. Their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

18 Designated funds

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for a specific purpose:

	At 1 October 2021 £	New designations £	Utilised/ released £	At 30 September 2022 £
Charitable donation fund	8,399,591	—	(5,249,411)	3,150,180
Gateway of Hope fund	1,300,000	—	—	1,300,000
Sisters' retirement fund	5,000,000	450,000	—	5,450,000
Meet the Need fund	5,562	17,698	(23,260)	—
	14,705,153	467,698	(5,272,671)	9,900,180

18 Designated funds (continued)

	At 1 October 2020 £	New designations £	Utilised/ released £	At 30 September 2021 £
Charitable donation fund	8,703,840	1,250,793	(1,555,042)	8,399,591
Gateway of Hope fund	—	1,300,000	—	1,300,000
Sisters' retirement fund	5,000,000	—	—	5,000,000
Meet the Need fund	5,562	—	—	5,562
	13,709,402	2,550,793	(1,555,042)	14,705,153

♦ Charitable donation fund

The charitable donation fund comprises assets set aside with the broad intention of using them to finance grants and donations to third parties both within the UK and overseas. This fund was set up with the unspent proceeds receivable from investment land which was sold in October 2014. The monies were invested to generate funds and are being applied as grants and donations.

♦ Gateway of Hope fund

The Trustees have set aside £950k to fund a project to provide housing for women in the criminal justice system. Part of the funds have been used to purchase a property which, following the granting of planning permission for change of use, may be used for this purpose.

♦ Sisters' retirement fund

The Sisters' retirement fund represents monies set aside to make provision for the support of the Religious in their retirement and to support their ministries. The value of the fund has been calculated using actuarial methods, to provide a modest sum towards the upkeep and care of the Sisters' in years to come.

♦ Meet the Need fund

The fund represents donations received during Easter over several years and has been set aside by the trustees to finance youth bursaries.

19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trusts to be applied for specific purposes.

	At 1 October 2021 £	Income £	Utilised/ released £	Transfers £	At 30 September 2022 £
Melbourne Project fund	60,478	7,778	(10,828)	—	57,428
Greenstead Project fund	37,189	1,445	(817)	—	37,817
Overseas Missions fund	36,766	7,105	(23,260)	—	20,611
Other restricted funds	19,316	3,240	(2,300)	—	20,256
	153,749	19,568	(37,205)	—	136,112

19 Restricted funds (continued)

	At 1 October 2020 £	Income £	Utilised/ released £	Transfers £	At 30 September 2021 £
Melbourne Project fund	57,545	5,793	(2,860)	—	60,478
Greenstead Project fund	37,212	625	(648)	—	37,189
Overseas Missions fund	36,722	44	—	—	36,766
Cemetery fund	2,137	—	(2,137)	—	—
Other restricted funds	32,987	10,198	(23,869)	—	19,316
	166,603	16,660	(29,514)	—	153,749

The Melbourne Project fund and the Greenstead Project fund comprises monies received specifically for the support of community-led activities in Melbourne (Chelmsford) and Colchester respectively.

The Overseas Missions fund comprises monies received specifically for the support of the members of the Community and their missionary work in Africa.

The Cemetery fund comprises monies received specifically for the upkeep and maintenance of the cemetery and to fund funeral expenses.

Other restricted funds comprise monies received for several specific purposes.

20 Analysis of net assets between funds

Fund balances at 30 September are represented by:

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2022 £
Tangible fixed assets	—	3,101,027	—	903,062	—	4,004,089
Investments	1,347,911	—	250,000	10,812,412	—	12,410,323
Net current (liabilities) assets	(802,170)	—	—	(1,815,294)	136,112	(2,481,352)
Total net assets	545,741	3,101,027	250,000	9,900,180	136,112	13,933,060

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	—	3,134,773	—	891,266	—	4,026,039
Investments	1,655,393	—	250,000	12,308,925	—	14,214,318
Net current (liabilities) assets	(386,468)	—	—	1,504,962	153,749	1,272,243
Total net assets	1,268,925	3,134,773	250,000	14,705,153	153,749	19,512,600

20 Analysis of net assets between funds (continued)

The total unrealised gains as at 30 September 2022, constituted movements on revaluation and were as follows:

	2022 £	2021 £
Total unrealised gains included above:		
On listed investments	484,884	1,290,980
On investment properties	875,742	875,742
	1,360,626	2,166,722
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 October 2021	2,166,722	2,119,623
On disposal of investments	(69,572)	(702,472)
Net gains arising on revaluation in the year	(736,524)	749,571
Total unrealised gains at 30 September 2022	1,360,626	2,166,722

21 Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

22 Related party transactions

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant. During the year, the total amount donated by the Trustees who were members of the Community to the Charity was £33,154 (2021 – £31,421).

In 2021, two trustees who are not members of the Community donated £100 each to the Charity.

Sister Moira O'Sullivan, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, OODIL CIO incorporated on 9 December 2019 Charity Registration Number 1186851. OODIL's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford, the town of Colchester. During the year the Charity made a donation of £2,000 to OODIL CIO from a restricted donation received by the Charity (2021: the Charity donated a property valued at £300,000 (note 4).

Sister Moira O'Sullivan is also a Trustee of a Charitable Incorporated Organisation, Elijah's Pot CIO incorporated on 6 September 2021 Charity Registration Number 1195718. Elijah's Pot CIO is a grant-making charity that supports those that are disadvantaged, oppressed or discriminated against in the UK and elsewhere. During the year the Charity made a donation of £4,588,375 to Elijah's Pot (2021: £nil) (note 4). £25,000 was paid in the year and the balance of £4,563,375 is included within creditors and was paid on 1 October 2022.

22 Related party transactions (continued)

Sister Margaret Mary Horton, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO, incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £1,100 (2021 – £65,715) to The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest (note 4).

During the year, the husband of Mrs Sheila Alder, a trustee of the Charity, provided consultancy services to the Charity in return for fees totalling £14,400 (2021 – £13,600). In addition, he was reimbursed £251 (2021 – £847) for out of pocket expenses. £nil was outstanding in respect to these services at 30 September 2022 (2021 – £nil).

There were no other related party transactions requiring disclosure (2021 – £nil).

23 Post balance sheet events

Since the year end the Charity has disposed of one of its non-specialised properties included in the accounts at cost at £286,000 for £489,000 net of costs.

As noted in the trustees' report and note 13, the Trustees decided in January 2023 to convert to a gift the loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to assist in purchasing a property. Measures are underway to put the legal steps in place to enable this.

Accounts

**The Charity
of the Regular
Canonesses of the
Order of the Holy
Sepulchre
of Our Lord**

Annual Report and Accounts

30 September 2021

Charity Registration Number
1167869

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

Trustees	Sister Moira O'Sullivan CRSS – Chair (ex-officio) Mrs Sheila Alder Sister Margaret Mary Horton CRSS Sister Teresa Ann Hughes CRSS Mrs Jane Swadling (from 5 September 2021) Mr John Graham Tomlins
Prioress	Sister Moira O'Sullivan CRSS
Bursar	Sister Mary Christina Birmingham CRSS
Financial administrator	Mrs Anne Bray
Principal address	74 Howe Close Colchester Essex C04 3XD
Telephone	01206 867296
Charity (CIO) registration number	1167869
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Reliance Bank Limited Faith House 23-24 Lovat Lane London EC3R 8EB

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

Investment advisers/ managers

Fiske plc (until April 2021)
Salisbury House
London Wall
London
EC2M 5QS

Brewin Dolphin Limited (until April 2021)
12 Smithfield Street
London
EC1A 9LA

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Sarasin and Partners LLP (from April 2021)
Juxon House
100 St. Paul's Churchyard,
London EC4M 8BU

James Hambro & Partners
45 Pall Mall
London
SW1Y 5JG

Land agents

Savills
Parkview House
Victoria Road South
Chelmsford
CM1 1BT

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

Solicitors	Howes Percival Solicitors The Guildyard 51 Colegate Norwich NR3 1DD
	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
	Leonard Gray Solicitors 72-74 Duke Street Chelmsford CM1 1JY

The Trustees present the annual report and accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the "Charity") for the year ended 30 September 2021.

The report includes details of the works and aspirations of the Community of the Regular Canonesses of the Holy Sepulchre of Our Lord in England (the "Community") comprising 12 members being the one autonomous Community in England and part of an international Roman Catholic Religious Order which began in the 12th century.

The accounts accompanying this report are the accounts of the Charitable Incorporated Organisation (CIO) which is registered with the Charity Commission under Charity Registration Number 1167869 through which the assets of the Community in England are administered. The accounts have been prepared in accordance with the accounting policies set out on pages 36 to 43 of the attached accounts and comply with the Charity's Constitution, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objects, aims, objectives, activities and relevant policies

Charitable objects and aims

The Charity's objects, as set out in its Constitution, are in connection with the Roman Catholic Religion, carried out in ways and places chosen by the Trustees.

Within these charitable objects, the Charity has sought:

- ◆ To continue to be alert and active in meeting local needs in the three areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed
- ◆ To continue to maintain live links with the Community's sisters in Africa and to support them in whatever ways it is able.
- ◆ To continue to engage people around the Community in reflective discussions on spiritual questions.
- ◆ To continue work on the Community's legacy going into the long-term future through Durham University, and also through the creation of a the new legacy charity (Elijah's Pot).
- ◆ To continue to work towards the good stewardship of the monies received from the sale of the Community's land both for the present and the future. This will specifically involve the new Legacy CIO (called Elijah's Pot) which it is intended will hold the bulk of the land sale money.
- ◆ To ensure that it is able to adapt and provide well for the care and changing needs of the ageing Community.

Objects, aims, objectives, activities and relevant policies (continued)

Principal activities during the year

This has been the first full year of a Trustee Board which had two Lay members and also did not include all members of the Community Council. This has been a significant change and has helped to distinguish Charity business from the Community Council work which is to stimulate and care for the day to day life and needs of the Community-

We have also appointed a third Lay Trustee which means that there is now an equal number of Community and Lay members.

The year has again taken an unexpected direction for us with the continuation of the pandemic which has challenged both our shared community life and our ministry outreach, given our age profile and consequent vulnerability. The year has also highlighted our need for greater support and we decided to look for an additional person paid to support the Community in different ways.

We have adapted to electronic communication well, with even the 90 year olds being active on Zoom. Much of our outreach has been virtual and most of our Community, Council and Trustee meetings have been via Zoom.

Some face to face ministry has continued throughout the year and some has restarted in the summer once the pandemic was more contained and we had been vaccinated.

Our employees have mostly worked from home and this has been challenging for both them and us, and has also raised questions for the future about work place and space.

We have made significant strides forward in both the reviewing of our investment managers and also the creation of a Legacy CIO to go into the future beyond our own lives. This has led to the change of two of our investment managers and the creation of the Legacy CIO called Elijah's Pot.

Volunteers

Throughout the year, members of the Community have given their time in a voluntary capacity to assist people who are in need. Almost all this work comes with no financial reward, but contributes significantly to the overall objectives of the Charity. The work has been adapted to the COVID 19 world but has continued to involve the following, albeit in a more measured way: education, spiritual guidance, parish work, local community outreach and hospital visiting. In addition, some sisters are involved in the administration of the Charity.

We are equally aware that the Charity's activities only function so well as a result of the many volunteers who give their time generously to further the objectives of the Charity. This includes those who support our outreach and also those who are part of our advisory groups supporting the Charity administration.

Objects, aims, objectives, activities and relevant policies (continued)

Volunteers (continued)

Conscious that we wish to report on the Community's voluntary work at the level of the minimum wage, we have therefore tried to give some overall sense this year of what that contribution is currently, from both Community members and volunteers.

We have estimated that on average we could claim that 200 hours a week voluntary work has been done on behalf of the Charity either by Community members or by our volunteers. The minimum living wage is currently £8.91 per hour. To this we might add a further 100 hours given by our volunteers. This amounts to over £1,700 a week of time voluntarily given to build up our local communities and support those in the greatest need.

As we continue to have regular volunteers working with groups in Melbourne (Chelmsford) and in Colchester, we have sought to ensure that we are aware of and compliant with the changes that are being made in the structure of the safeguarding structures for Religious Communities.

This is our fourth year of working with a finance committee and their input has been key to our remaining in a relatively good financial position despite the downturns due to the pandemic. Over the past 12 months they have rationalised our investments, suggested diversifications for the portfolios and introduced the principle of varying risk levels to suit the aims of the different investment 'pots'. The Chair of this group implemented an extensive review of our investments managers and masterminded two days of presentations which resulted in the changes of two of our three firms. The process involved the Trustees and Community appropriately and two of the Trustees were part of the interview process. The decision was made by the Trustees based on recommendations fully explained and presented to them by the Chair of the finance committee.

Protection of Children and Vulnerable Adults

The Trustees recognise the absolute necessity of ensuring the protection and safety of all those people whom the Charity serves. All the sisters who are involved in any kind of ministry have been checked by the Disclosure and Barring Service (DBS), as have all the adult volunteers. The Trustees are committed to the implementation of all the policies and procedures proposed by CSAS (The Catholic Safeguarding Advisory Service) and the NCSC (National Catholic Safeguarding Commission).

We can confirm that we have a written policy for safeguarding our vulnerable beneficiaries, and that there have been no serious incidents in respect to safeguarding to report during this last year.

Professor Michael Alder, our Compliance Coordinator, has taken the lead in representing us at many seminars and web-based events and has consistently cascaded information and developments to Trustees who have also cascaded to the Community. Two members of the Trustee Board have also attended some of the webinars being offered through the year.

The Community has been amongst the relatively small percentage of Religious groups who have consistently participated and engaged in these complex changes for the future.

Objects, aims, objectives, activities and relevant policies (continued)

Public benefit

All the Trustees are conversant with the Charity Commission's guidelines concerning Charities and Public Benefit and have given consideration to them when assessing our activities. We therefore believe that we have complied fully with the duty in Section 4 of Part 1 of the Charities Act 2011 to have due regard to the Public Benefit guidance published by the Commission.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The Charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of professional fundraisers.

We have effectively sought to monitor and assess the good use of monies given during the year through the hard and focussed work of one of the Trustees who has this as her particular responsibility.

The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the Charity received no complaints about its fundraising activities.

Investment policy

There are no restrictions on the Charity's power to invest. At 30 September 2021, the Charity's investments were managed by three professional investment managers. The investment strategy is set by the Trustees with advice from their investment managers. It takes into account the Charity's income requirements for the year, the risk profile and the investment managers' views of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income as advised by the Trustees from time to time. The Trustees also have an Ethical Policy which precludes investment in any company, which after reasonable enquiry, clearly generates significant profits from an activity which is contrary to the objectives of the Catholic Church. This policy has been reviewed and updated during the year past.

The performance of the portfolios and the Charity's investment strategy are reviewed by the Trustees whose representatives meet with the investment managers on a regular basis.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry in the United Kingdom and overseas are decided on by the Trustees in consultation with other members of the Community as appropriate.

Whilst the Trustees give grants to United Kingdom organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community

We have continued our active ministry in the three areas of the Diocese where we are resident as far as the pandemic has allowed us. Our particular Ministries are chosen as expressions of our spirituality and charism, and stem directly from the essence of our identity as Canonesses of the Holy Sepulchre.

One of the most important aspects of our identity as Canonesses of the Holy Sepulchre is to live alongside people in their ordinary lives - seeking to bring God to people in the everyday circumstances of life, as well as in heightened personal or liturgical experiences. We are Community people, living community and building community wherever we are. Our Community life of prayer and ministry seeks continually to find appropriate and effective ways of living and sharing the Gospel with the people around us.

Our whole life therefore has a particular accent on inclusivity. Our moments of shared prayer are open to all and our Ministries often focus on people who may find themselves on the margins or who are losing hope.

Within each of our living areas we give concrete expression to our charism in ways best suited to the area. We respond to local needs in ways appropriate to the situation and to our skills and experience. We have continued to engage in relevant training, have secured funding for some of these activities, and have always sought to work collaboratively.

Keeping abreast of developments and legislation relevant to our ministry is always a point of attention and all of this has been done via Teams or Zoom this year.

As has already been mentioned, changes in safeguarding structures has been high on our agenda and we have been fully engaged with those movements and proposals.

Other supportive training received for the Charity has been through Provincial Bursars' Conference and we received full information pertinent to our situation regarding: employment law; cyber safety; accountability for monies sent overseas.

Individual sisters have also used Zoom to update their training for spiritual direction or for work with young people during the pandemic.

Some of the Community members are also trustees of other charities including a housing charity, the Medaille Trust, and a youth centre in Chelmsford.

Wherever we are, our Community is a place of open, inclusive welcome, and that particular gift we bring to our local Communities and parishes. This has had to be modified during the year although we retain commitment to the spirit.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

As Canonesses, we follow the Rule of St Augustine and we find inspiration in his dictum:

‘Since you cannot do good to all, you are to pay special attention to those who, by the accidents of time, or place, or circumstances, are brought into closer connection with you.’

This has demanded some creativity and change in order to be safe and keep others safe.

1. Meeting local needs:

In a strange way, the advent of Zoom has enabled more of the Community to be engaged with others than in the past. Through the programmes we have laid on, each and every member of the Community has participated in a wide series of reflections and discussions with sometimes up to 100 other participants.

Some of the usual pastoral engagement has continued – significant engagement with parish life and ministry in East London; for most there has been less physical engagement although there have been a lot of connections sustained through phone calls and doorstep conversations. There has been some working with other charities to support the more vulnerable people locally.

We have worked to provide hampers for older people; food parcels for families; educational resources (including laptop and internet) for school-aged children. Sister Teresa Ann has continued to volunteer with the Franciscan Friars in Canning Town and Sister Christina has been providing chaplaincy support for people with mental health needs in Newham.



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

1. Meeting local needs (continued)



One of the Community in Colchester was heavily involved in the holiday cookery activity for families, aimed at reducing waste and hunger and improving wellbeing.



Breakfast club
August 2021

Some more physical engagement began in the summer of 2021 and we were able to run some activities for children and their families.



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

1. Meeting local needs (continued)

Some more regular weekly activities resumed in September in a cautious and adapted way. The Wisdom group and the Toddler group in Melbourne reconvened in September



Melbourne Toddler Group and Homework Clubs resumed in September 2021



During the past year we purchased a house in Melbourne specifically to support a Syrian refugee family coming to the UK through the Home Office Sponsorship Scheme.

The family arrived in February and is settling well and integrating into the local community.

We also looked afresh at our house in Langton Avenue in the light of the fact that one of the brothers we have been supporting through that house has moved into care. In dialogue with the other brother who is still fit and able, we decided that it would be best for him to move to a smaller flat nearby. He is now resident in our Hobart flat and we have acquired an allotment plot for him nearby.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

1. Meeting local needs (continued)

We looked at the empty house in Langton Avenue with our finance group and Trustees, having ascertained how much money would need to be spent on getting the property back to a good condition for future use. We were advised that this was the moment to pass that house to OODIL, a charity established to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford and the town of Colchester, who would then take care of the restoration both in a practical and a financial sense. This transfer was completed during the year.

2. Social and pastoral care for our sisters in Africa

As our Community is part of a wider Association of Communities worldwide, we have continued to have a special care for our sisters based in the Democratic Republic of Congo and in Rwanda.

We support them through our prayer and material care with their basic needs. We also involve our many contacts in getting to know about the political and social situations in both countries.

We have had a few small fundraising events this year, but the major events had to be cancelled due to the pandemic.



Canonesses of the Holy Sepulchre



The Community will light a candle for Africa and pray for your intentions during Advent

Send to projects@canonesses.co.uk:

Your name:

Your email:

Intention/message:

Donation: use DONATE button on website or by cheque to 'Canonesses of the Holy Sepulchre'

send to 74, Howe Close, Colchester CO4 3XD

All donations will be a Christmas 'gift' for Africa – 100% of the proceeds go directly to our sisters in Rwanda and Democratic Republic of Congo
www.canonesses.co.uk Charity no: 1167869



We have run our Christmas Giving scheme for the fifth year and again raised £3,300 (including sums donated) for particular named projects. This year's appeal had a slightly different accent in response to the darkness of the pandemic experience and was focussed on Light a Candle for Africa.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

2. Social and pastoral care for our sisters in Africa (continued)

We ran our home delivery tea box service to help raise funds for our African sisters again this year and this raised over £3,400 (including donations).



One of many happy gatherings



Part of the production line

We have sent out our annual 'Africa Newsletter' again and this updates our friends and benefactors on the different projects we have been supporting and also raises awareness of the human, political and social issues which make life so precarious in those countries.

We have sent money to our sisters in the Congo and Rwanda during the year and have tightened up all the processes involved in sending and accounting for money.



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

2. Social and pastoral care for our sisters in Africa (continued)

We have supported sisters working with refugees in Goma; and also a school in Muhanga Rwanda which is doing pioneering work with children with disabilities of any kind.



3. Finding opportunities to engage in reflection and discussion on spiritual questions

We have adapted well to the new opportunities presented to us to engage more people in reflection and discussion over this last year. This initiative will travel with us into the years ahead.

Our database has been well-used to make contacts and invite hundreds of people to the many virtual meetings we organised.

We have produced and sent out regular reflective newsletters about once a month and day by day have sent out material for prayer and meditation. All of these were posted daily on our website. The group of people who joined us for daily prayer 'virtually' was regular and appreciative and we received a lot of positive feedback from both initiatives.

In the last 12 months we have hosted several periods of reflection on Zoom, initially during Advent in a trial and then in Lent in a more developed programme – see below.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

3. Finding opportunities to engage in reflection and discussion on spiritual questions (continued)

LENT 2021 PROGRAMME

A reflective moment to start Lent

Wednesday 17th February: 5.30pm for 20-30 minutes

Lent York Course - Caring for Creation

Mondays in Lent: 5.30 - 6.30pm

22nd February; 1st March; 8th March; 15th March; 22nd March

Christ in the Wilderness

Reflecting on the paintings of Stanley Spencer

Saturday 27th February: 2-3.30pm

Led by Sister Angela

Bread Broken

Reflecting on Sister Mary Stephen's art and the Journey through the Cross

Tuesday 16th March and/or Tuesday 23rd March: 3-4pm

Led by S M Stephen

Stations of the Cross

Reflecting on Sieger Koder's Stations of the Cross, accompanied by music of Voces 8

Saturday 27th March: 2-4pm

Led by S Moira

Journeying through the Triduum and beyond:
20-25 minute reflections - music word and visuals

Maundy Thursday: 5.30pm

Good Friday: 7pm

Holy Saturday: 11am

Easter Sunday: at 12 noon

Do join us for a 10-15 minute drink and chat!

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

3. Finding opportunities to engage in reflection and discussion on spiritual questions (continued)

Below is a selection of the very many positive responses we received during and after the programme:

'We wanted to send a huge thank you to you and to everyone involved in the development of the beautiful online religious reflections that you broadcast during Holy Week. We felt that you helped us to explore issues in greater depth than we have considered beforehand. It was especially calming too as for us the last six months have been very stressful for different reasons. The reflections helped us to find a quiet place and switch off in a positive manner from what has been a chaotic period in our lives and a time of great uncertainty.'

'Thanks so much for the wonderful escape yesterday afternoon. I really enjoyed seeing the paintings of Sieger Koder, with the commentary and insightful interpretation bringing them to life. It was so refreshing, relating these events which occurred so long ago and have become so entrenched in our culture, to our current circumstances and preoccupations. The most memorable were probably the division of the garments and the vision of Christ buried between the earth and the weight of the cross, as if he literally had the weight of the world on his shoulders and was being trampled on. The music was also beautifully atmospheric.'

We ran a 5 week Lent course based around the theme of climate change and care of creation. We had about 40 people subscribed for the course.

One appreciative participant wrote:

'I really appreciated the Lent course, mainly because climate change/emergency is an issue I have been concerned about for some time but have had little opportunity to discuss within my (Anglican) church setting. It was very good to have the opportunity to discuss things with other likeminded people, whatever their denomination.'

We have run a reflective programme focussed on topical issues stemming from the pandemic and we engaged hundreds of people in looking at possible positive ways forward for society; church; education; global responsibility.

Some of the most popular sessions had more than 60 attendees.

This is the programme in outline:

October: our sense of 'the other' and what community means

November: how the media is impacting on our response to the pandemic

December: the response of the Church (Prof Tina Beattie talk)

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

3. Finding opportunities to engage in reflection and discussion on spiritual questions (continued)

January: Church contd (Abt Jos Wouters talk)

February: Impact on Education (+ follow up focus group meetings)

March: Impact on the Wider world + climate (Christine Allen of CAFOD talk)

April: Vaccine debate

May: Emotional Wellbeing and Mental Health

May: Education debate with Vicky Ford MP Minister for families and children

June: round-up / ending



Professor Tina Beattie and Abbot Jos Wouters both led sessions on the post pandemic church



Our new Zoom world below



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

3. Finding opportunities to engage in reflection and discussion on spiritual questions (continued)

During the pandemic we offered prayer and support for people suffering loss and bereavement and this is also taking a physical shape in the making of a prayer tapestry which contains names and dates of people known to the Community who have died during 2020 and 2021. The people who have died and their families are also part of the regular Community prayer. We were pleased to be able to gather some of our 'virtual' community in real life in late summer.



4. Work on our legacy

We have our work on finding the right future for our material legacy in the form of both our archives and our cemetery.

Our archives have continued to be digitised and made widely available for research globally. We were pleased to hear that the Durham Book Festival included a 10 minute look at some of our 17th century books from Liège in their festival. The podcast is called: Inside the Archives – Books in Exile and the Women who Cared for Them with Jennie Aspinall. You can access it via this link: <https://durhambookfestival.com/programme/event/inside-the-archives-books-in-exile-and-the-womenwho-cared-for-them-with-jennie-aspinall/?watch>.

We extended Dr Cormac Begadon's research with us for a further year and have been very pleased with the results of his work despite being in lockdown and unable to visit Durham as much as he would have liked. He gave good feedback to the Community via Zoom and also engaged in several other extended sessions focussed on his research with us.

Through his work and that of his predecessor with us Dr Hannah Thomas, our Community story has had a high profile in a lecture series emanating from the Centre for Catholic Studies in Durham, entitled Hidden Histories.



Doctor Cormac Begadon

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

4. Work on our legacy (continued)

Cormac has also been working on establishing a definitive text of the narrative of the Community's journey from the Low Countries to England in 1794 and this will be printed in a variety of ways in order to be most widely accessible.



The cemetery is now established as a CIO in its own right with its own trustees. The Community finished a programme of improvements to the cemetery during the past reporting year and this has included adding our red crosses to the gates and also designing an information board for the entrance which leads from the adjacent housing estate.



The cemetery CIO is committed to giving an annual report to the Community CIO.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

5. Good stewardship of land sale monies

In addition to getting an annual report from the Cemetery CIO, we are also getting an annual report from the housing charity OODIL.

Trustees from that charity shared their annual report and accounts and also came to give a presentation to Trustees and Community of the activity of the charity during the past year.

During this past year it has been difficult to establish new projects and apply the necessary scrutiny and attention prior to endowing capital large sums.

Our attention has been focussed on one particular project which has started to be realised during this past year.

We have worked with advisors and a team headed by former High Sheriff of Essex Bryan Burrough as we looked into the needs of and provision for women in the Criminal Justice system. Bryan liaised with Essex County Council and the Probationary Services to carry out a full and thorough programme of research into local needs and possibilities in this area. There were regular reports given on progress to both Trustees and Community.

Having identified needs and type of provision we put out for tender in the spring to identify the best service provider for the project. This was awarded to Safer Places. With them we identified a property and appointed the appropriate professionals to see the project through planning change.

We agreed to allocate £1.3 million to this project to include property purchase, professional fees, refurbishment costs and start up costs. This project is still being worked on.

We have spent a lot of time with Community, advisors and Trustees looking at the creation of a legacy CIO to which we would gradually transfer finances and assets from this charity as agreed and expedient. This would be with a view to this new CIO being the place for all remaining assets to be transferred at the 'very end' of the Community's life and the subsequent dissolution of this charity.

We have worked with the Community to develop a long-term vision for the new CIO; with advisors to tease out and write a coherent set of financial guidelines; with our finance committee and Trustees to ensure the needs of this charity prior to transfer of assets.

Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

5. Good stewardship of land sale monies (continued)

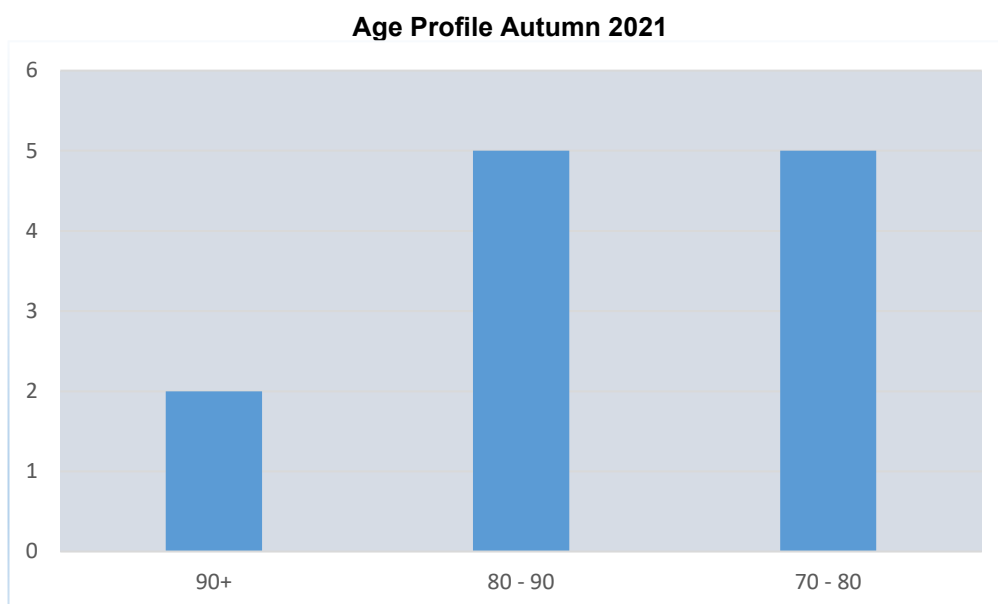
We engaged the professional services of Stone King to create the Constitution for submission to the Charity Commission and identified two Community and four Lay Trustees as the first group of Trustees for the CIO which is called Elijah's Pot.

The Charity Commission registered this new CIO on 6 September and the new Trustee group met for the first time in October 2021.

An initial sum of approximately £5 million from the land sale money that has been received in recent years will be transferred into that new CIO.

6. Care for our own Community Members

In common with many Religious Orders and Congregations in England, the profile of our Community shows an increasing average age. Two elderly sisters have continued to need significant care and support. We have been well served by the National Health and local Care Services but have also felt the need to supplement that provision with further resources in order to give the fullest support and dignity to those two members of the Community.



Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

6. Care for our own Community Members (continued)

The Community is committed, both morally and legally, to provide care for all its sisters, none of whom has resources of her own. The Trustees are aware of the need to make provision for the future care of each sister and therefore continue to give careful attention to the Community's property requirements and financial needs both now and in the years ahead. The Trustees have continued to address the needs for good maintenance and repair for the properties already in their possession and occupied by the sisters. The Trustees are also conscious of the need to exercise good stewardship towards the planet and to leave a positive lasting legacy in favour of the environment.

During the pandemic great care was taken to protect the most vulnerable older members of the Community and several adjustments were made to both living arrangements and daily routine.

The effects of not having outside contacts and remaining in one property were given thorough consideration along with an awareness of how much such enforced 'isolation' over a long period can impact an already frail and vulnerable group and the individuals in it.

We tried to be creative and flexible within the government guidelines to encourage everyone to stay healthy, get fresh air and use as many electronic means of communication as possible to stay in touch with each other, with friends and with family.

We have used Zoom very regularly during the last 12 months and have probably had more contact with one another than in the previous years.

Prior to the pandemic we had decided to employ a further member of staff on a part-time basis to support the community in Colchester. Lockdown made the interview and selection process impossible although we did have an initial chat with applicants via Zoom.

As soon as we were able we held interviews and made a good appointment of someone who has flexibility both in terms of time and skills.

This could be a post which grows in terms of time and content over the coming year as age kicks in even further.

In our long term planning and budgeting, we have continued to look at the needs and well-being of each of the sisters in a holistic way, and make appropriate annual budget provision.

As there has been a need for 'in house' care we are aware that we should ensure that everyone has the space and time she needs to be able to give of herself to those most in need in the house. Each sister has therefore been encouraged to take the recreational and retreat time away that she needs, and to be involved in regular activities such as art or music.

Objects, aims, objectives, activities and relevant policies (continued)

Covid-19

This is the second year wherein our reporting narrative and financial results have been significantly affected by the pandemic.

Whilst we have found positive ways of adapting to the openings and new possibilities it has created, we have also been aware of the negative emotional and psychological impact it has had both on ourselves and those living around us.

We are starting a more active life engaged with others but will do so cautiously and also try to respond to new needs which have presented themselves in the past year.

Our finance committee has guided us through the volatilities of the stock market in a very able way and our financial recovery has been good, aided by the careful realigning of our assets.

Whilst there will undoubtedly be challenges ahead, we do not expect material concerns to arise over the charity's financial position.

Financial review

Results for the year

A summary for the results of the year ended 30 September 2021 can be found on page 34 of the accounts.

Total income for the year amounted to £571,699 (2020 – £653,224). Of the income £145,198 (2020 – £336,889) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £120,653 (2020 – £132,876) covenanted to the Charity. Investment income and interest receivable totalled £196,906 (2020 – £283,217).

Expenditure totalled £806,818 (2020 – £2,579,786). Donations payable include £438,903 (2020 – £2,123,928) made from the charitable donation fund including £300,000 (2020 – £2 million) to OODIL CIO. Further details of donations payable in the year are given in note 4 of the accounts. Expenditure incurred on maintaining the members of the Community and supporting them in their pastoral work and ministry amounted to £312,027 (2020 – £377,951) and includes expenditure on governance of £21,074 (2020 – £26,944).

During the year to 30 September 2021, gains of £1,651,437 (2020 – losses of £54,724) arose on the Charity's listed investments reflecting the recovery in stock market indices. In 2020 there were gains on investment properties of £115,000.

Net income for the year and net movement in funds was £1,416,318 (2020 – net expenditure and net movement in funds of £1,866,286).

Investment performance

The Charity's listed investment portfolio generated an annual income yield of 1.26% (2020 – 1.93%) and a capital yield of 14% (2020 – minus 0.68%) reflecting an improvement in the performance of world stock markets generally. The Trustees remain satisfied with the performance of the Charity's investments.

Objects, aims, objectives, activities and relevant policies (continued)

Reserves policy and financial position

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the Charity's work, the level of free reserves should be approximately equal to two years' ongoing expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the exceptional circumstances created by the Covid-19 pandemic.

The balance sheet shows total funds of £19,512,600 (2020 – £18,096,282). Of these funds, £153,749 (2020 – £166,603) are restricted and are to be applied for specific purposes. £3,134,773 (2020 – £2,942,018) are represented by freehold properties, excluding the property representing the Gateway of Hope designated fund, and other tangible fixed assets and £250,000 (2020 – £250,000) by the Charity's programme related investments. A decision was made to separate these funds from the general fund in recognition of the fact that assets are used in the day to day work of the Charity or by organisations for charitable purposes in line with the Charity's objects, and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Funds totalling £14,705,153 (2020 – £13,709,402) have been designated, or set aside, by the Trustees for specific purposes. £5,000,000 (2020 – £5,000,000) has been set aside to meet the costs for the care and welfare of the sisters in their old age. The amount set aside has been calculated, using actuarial methods, to provide a modest sum towards the upkeep and care of the sisters in years to come.

Following the sale of the investment property comprising land at New Hall in October 2014, funds totalling approximately £12.5 million were set aside in a 'charitable donation fund' to be used to finance grants and donations including new charitable projects overseas. The balance on this fund at 30 September 2021 was £8,399,591 (2020 – £8,703,840). A further £1.3 million has been designated by the trustees during the year as the Gateway of Hope fund, to make provision of housing for women in the Criminal Justice system. Further details about these funds are given in note 18 to the accounts.

Funds which are available to support the work of the sisters in the future are those shown on the balance sheet as the general fund and total £1,268,925 (2020 – £1,028,259). The Trustees believe that these free reserves are adequate but not excessive and consistent with the Charity's reserves policy outlined above. In particular, the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the Covid-19 pandemic.

Future plans for the Charity and the Community

In the forthcoming year, it is our intention to meet the following particular objectives although, given the continuing uncertainties around Covid-19 and its impact, the plans may need adapting. The safety of Community members, especially the oldest ones, has to be our priority.

- ◆ To continue to be alert and active in meeting local needs in the three areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. However, increasing age profile, decreasing number of Community members and greater frailty will necessarily reduce the extent of our outreach.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.
- ◆ To continue to engage people around us in reflective discussions on spiritual questions. For the coming year we have planned a programme exploring what 'Community' means especially in the post pandemic world.
- ◆ To continue work on our legacy going into the long-term future. This will involve the continuation of work done through Durham University on our archives, and also through the newly-created Elijah's Pot CIO whose goal is the good stewardship of the monies we have received from the sale of our land.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community.

Structure, governance and management

The Charity is a Charitable Incorporated Organisation (CIO) governed by a Constitution dated and agreed by the trustees on 15 June 2016 and registered with the Charity Commission on 27 June 2016. The Constitution was amended on 30 March 2021.

Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

Trustees

The names of the Trustees and details of changes during the year are given on page 1 of this annual report and accounts.

At any time there must be a minimum of three trustees. The Prioress for the time being is automatically, ex officio, a charity trustee for as long as she holds that office. The Conventual Chapter may appoint additional charity trustees by a resolution at a properly convened meeting of the Conventual Chapter for: (i) in the case of an individual who is a member of the Community for such period of office as the Conventual Chapter shall determine; and (ii) in all other cases for a term of three years or such other term as the Conventual Chapter shall decide.

Structure, governance and management (continued)

Governance

In terms of Canon Law, the highest authority in the Community is the Conventual Chapter, which is made up of all the perpetually professed members of the Community. The Chapter elects a Prioress every 6 years and the Prioress is de facto a Trustee of the Charity. As is expected in the Community's Constitutions, Community members meet regularly as a full Chapter to reflect on the mission and to examine the life style and finances of the Community. Community members are involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

In the last year some of the Trustees have continued to have regular meetings with three retired professional men who look at our business questions and think them through with us.

Organisational Management

In terms of Civil Law, the Trustees of the Charity, are legally responsible for the overall management and accounting of the Charity and for safeguarding the assets of the Charity. They receive no remuneration or expenses for their service as Trustees. The Trustees meet once a month on average to review developments within the Charity, and to take decisions. The Trustees are supported by professional advisers, the most significant of these in daily management terms being our lay financial administrator. Other professionals, including investment managers, solicitors, and auditors are consulted as appropriate. Trustees have delegated responsibilities and try to keep updated within their areas on recommended best practice regarding appropriate policy requirements.

The Community is involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Risk Management

The continuation of the Covid-19 pandemic has presented us with challenges and threats to the well-being of our charity and its activities which could not have been foreseen. The Trustees recognise their responsibility for the management of risks faced by the Charity, the Community and its individual members.

We continue to review and update our risks as well as the documents and procedures put in place the previous year under the guidance of our Compliance Co-ordinator. This process is deemed particularly important during the current Covid-19 pandemic.

We note above the financial and operational effects of Covid-19. Over and above these, the areas identified for particular attention within our risk management strategy are:

- ◆ Governance and management
- ◆ Maintenance and Health and Safety
- ◆ Financial

Structure, governance and management (continued)

Risk Management (continued)

- ◆ Litigation
- ◆ Reputational

The Trustees have continued to operate within the key areas of risk controls which include:

- ◆ Regular and frequent meetings of the Trustees with formal agendas and minutes;
- ◆ Comprehensive strategic planning, budgeting and management accounting;
- ◆ Established organisational structures and lines of accountability;
- ◆ Regular meetings with professional advisors to whom all our business is transparent;
- ◆ Establishing a clear authorisation and approved levels of decision-taking and spending; and
- ◆ Putting in place vetting procedures required by law for the protection and safeguarding of the vulnerable.

Time-frames exist for the annual monitoring of the risk assessments.

The key risks which faced the Charity during the year are as follows:

- ◆ An analysis of the age profile of the members of the Community shows that the average age in the Community at 30 September 2021 was in excess of 80 years. The Trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the Charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally the Charity works with children and vulnerable adults including older people. The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the Charity serves. This means that Sisters engaged in any ministry and all those who work or volunteer for the Charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The Trustees are committed fully to implementing the policies of the Catholic Safeguarding Advisory Service (CSAS).

Structure, governance and management (continued)

Risk Management (continued)

- ◆ The Charity donates significant sums in support of the activities of overseas Religious Communities with which the Sisters are associated and to other organisations. Whether or not the funds are used here in Great Britain or overseas, the Trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The Charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The investments are monitored closely by the Finance Committee who meet regularly and adopt a pro-active position to change. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs both now and in the future. The Trustees meet with the Chair of the Finance Committee for regular updates. We have worked closely with our finance group and investment managers to ensure that as far as we are able, we do not invest in ways which impact negatively on the environment.

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity of the incoming resources and application of resources of the Charity for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice 2015 FRS 102 (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Structure, governance and management (continued)

Statement of Trustees' responsibilities (continued)

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

Key management personnel

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

Certain of the Trustees are members of the Community whose living and personal expenses are borne by the Charity. None of the Trustees receive any remuneration or reimbursement of expenses in connection with their duties as Trustees or key management personnel.

Signed on behalf of the Trustees: Moira O'Sullivan CRSS

Approved by the Trustees on: 11/5/22

Independent auditor's report to the Trustees of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord

Opinion

We have audited the accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the 'Charity') for the year to 30 September 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 30 September 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011); and
- ◆ We understood how the Charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of Trustees' meetings.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
- ◆ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◆ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◆ Identifying and testing journal entries;
- ◆ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.

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

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Performed substantive testing on expenditure; and
- ◆ Tested journal entries to identify unusual transactions.

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

- ◆ Reading the minutes of meetings of those charged with governance; and
- ◆ Enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

21 June 2022

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

Statement of financial activities Year to 30 September 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £
Income from:							
Donations and legacies	1	128,538	16,660	145,198	261,659	75,230	336,889
Income from charitable activities		19,765	—	19,765	15,240	—	15,240
Other trading activities							
. Fundraising events		5,793	—	5,793	12,850	—	12,850
Investments and interest receivable	2	196,906	—	196,906	283,217	—	283,217
Other sources							
. Miscellaneous income		1,746	—	1,746	24	—	24
. Surplus on disposal of tangible fixed assets		202,291	—	202,291	5,004	—	5,004
Total income		555,039	16,660	571,699	577,994	75,230	653,224
Expenditure on:							
Raising funds	3	55,888	—	55,888	77,907	—	77,907
Charitable activities							
. Grants, donations and support of missionary work and ministry	4	412,897	26,006	438,903	2,093,364	30,564	2,123,928
. Support of members of the Community and their ministry	5	308,519	3,508	312,027	350,261	27,690	377,951
Total expenditure		777,304	29,514	806,818	2,521,532	58,254	2,579,786
Net (expenditure) income before investment gains (losses) and transfers		(222,265)	(12,854)	(235,119)	(1,943,538)	16,976	(1,926,562)
Net gains (losses) on listed investments		1,651,437	—	1,651,437	(54,724)	—	(54,724)
Net gains on investment properties		—	—	—	115,000	—	115,000
Net income (expenditure) before transfers	8	1,429,172	(12,854)	1,416,318	(1,883,262)	16,976	(1,866,286)
Transfers between funds	19	—	—	—	(147)	147	—
Net income (expenditure) and net movement in funds		1,429,172	(12,854)	1,416,318	(1,883,409)	17,123	(1,866,286)
Reconciliation of funds:							
Total funds brought forward at 1 October 2020		17,929,679	166,603	18,096,282	19,813,088	149,480	19,962,568
Total funds carried forward at 30 September 2021		19,358,851	153,749	19,512,600	17,929,679	166,603	18,096,282

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

All of the Charity's activities derived from continuing activities in each of the above two financial years.

Balance sheet 30 September 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		4,026,039		2,942,018
Investments	12		13,964,318		13,865,944
Programme related investments	13		250,000		250,000
			18,240,357		17,057,962
Current assets					
Debtors	14	28,479		118,232	
Short term deposits		365,956		616,810	
Cash at bank and in hand		1,400,724		935,893	
		1,795,159		1,670,935	
Current liabilities					
Creditors: amounts falling due within one year	15	(522,916)		(632,615)	
Net current assets			1,272,243		1,038,320
Total net assets			19,512,600		18,096,282
The funds of the Charity:					
Unrestricted income funds					
. General fund			1,268,925		1,028,259
. Tangible fixed assets fund	16		3,134,773		2,942,018
. Programme related investments fund	17		250,000		250,000
. Designated funds	18		14,705,153		13,709,402
			19,358,851		17,929,679
Restricted funds	19		153,749		166,603
			19,512,600		18,096,282

Approved by the Trustees
and signed on their behalf by:

Moira O'Sullivan CRSS

Trustee

Approved on: 11/5/22

Statement of cash flows Year to 30 September 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(434,680)	(2,545,358)
Cash flows from investing activities:			
Investment income		212,270	288,370
Purchase of tangible fixed assets		(1,465,664)	(352,962)
Proceeds from the disposal of tangible fixed assets		221,178	10,200
Proceeds from the disposal of listed investments		10,081,745	3,597,290
Proceeds from the disposal of investment properties including interest		—	2,825,000
Cash invested in COIF Charities Fund deposit held as fixed asset investments		408,451	300,000
Purchase of investments		(9,490,986)	(3,242,293)
Net cash (used in) provided by investing activities		(33,006)	3,425,605
Change in cash and cash equivalents in the year		(467,686)	880,247
Cash and cash equivalents at 30 September 2020		2,263,430	1,383,183
Cash and cash equivalents at 30 September 2021	B	1,795,744	2,263,430

Notes to the statement of cash flows for the year to 30 September 2021

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

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	1,416,318	(1,866,286)
Adjustments for:		
Depreciation charge	62,756	54,734
Donation of property to OODIL CIO (note 21)	300,000	291,098
(Gains) losses on listed investments	(1,651,437)	54,724
Gains on investment properties	—	(115,000)
Surplus on disposal of tangible fixed assets	(202,291)	(5,004)
Investment income and interest receivable	(196,906)	(283,217)
Increase in debtors	(2,275)	2,202
Decrease in creditors	(160,845)	(678,609)
Net cash used in operating activities	(434,680)	(2,545,358)

B Analysis of cash and cash equivalents

	At 1 October 2021	Cash flows	At 30 September 2021
Cash at bank and in hand	935,893	464,831	1,400,724
Short term deposits	616,810	(250,854)	365,956
Cash held by investment managers	710,727	(681,663)	29,064
Total cash and cash equivalents	2,263,430	(467,686)	1,795,744

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

Principal accounting policies 30 September 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 September 2021, with comparative information given in respect to the year to 30 September 2020.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

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

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

- ◆ Assessing the probability of the receipt of legacy income;
- ◆ Determining a discount factor to calculate the future cash receipt (cash payment) for debtors (creditors) where discounting is material;
- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of determining the depreciation charge;
- ◆ Estimating the value at the time of disposal of assets donated to third parties;
- ◆ Determining the apportionment of support costs between the various categories of expenditure;
- ◆ Determining the value of the designated funds needed at the year end and, in particular, estimating the size of the retirement reserve created in order to provide for the continuing care of the members of the Community for the remainder of their lives; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

As all members of the Community are aged over 70, the Trustees have had to adhere to the stringent government advice as a result of the Covid- 19 pandemic during the year. This has meant that the Community's normal apostolic activities have had to find new shape or cease altogether. As groups could no longer gather, the Sisters have found new ways of supporting their vulnerable neighbours whilst largely remaining in lockdown. They have used younger volunteers to do some of the active support whilst they have mobilised older volunteers to be alongside them in supporting people through regular phone contact and prayer. The Sisters have offered some material support where needed and are aware that this will be increasingly needed once the pandemic has ended.

Along with many other charities, the Trustees cannot at this stage imagine fully what the foreseeable needs will be and what position the Community will be in to respond to those needs. While some of the Charity's income and expenditure will continue to be affected, the Trustees will continue to keep both income and expenditure under review.

As noted in the Trustees' report. on a larger scale, the Trustees are making plans for the future and to this end, they have established a new CIO, Elijah's Pot, to continue the Charity's work.

The Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long term investor. The Charity's Trustees keep a watching brief over the markets.

Undoubtedly there will be challenges ahead but the Trustees do not expect material concerns to arise over the Charity's financial position or going concern. The Trustees have concluded that the Charity will have sufficient resources to meet its liabilities as they fall due.

Income

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

Income comprises donations, legacies, income from other trading activities i.e. fundraising events, investment income, interest receivable and income from other sources, including any surplus on disposal of tangible fixed assets.

Income (continued)

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

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably or the Charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

Income from charitable activities includes rental income from property rented to individuals whose needs fall within the charity's objectives,

Income from small scale fundraising events is accounted for when the Charity has confirmation of the amount due and receipt of the funds is probable. This will normally be on the date of the relevant fundraising event itself.

Investment income is recognised once the dividend or similar distribution has been declared and notification has been received of the amount due.

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

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

Income (continued)

All other income is recognised to the extent that it is probable that the economic benefits will flow to the Charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

The costs of raising funds include direct costs and overheads associated with managing investment property, managing listed investments, and organising small scale fundraising activities.

The costs of charitable activities comprise expenditure on the Charity's primary charitable purposes as described in the Trustees' report. Such costs include:

- ◆ Grants, donations and support of missionary work and ministry
Grants, donations and support of missionary work and ministry relates to the support of work overseas carried out by Communities of sisters with which the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is associated and the support of other charitable organisations with objectives consistent with those of the Charity.

Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise both single year payments and multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants meeting this criteria but which are not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

The unwinding of the discount factor in respect to donations payable is included within grants, donations and support of missionary work and ministry and is described as a financing cost.

- ◆ Support of members of the Community and their ministry
This comprises expenditure incurred on the maintenance, living and personal expenses of members of the religious community.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs are the costs associated with the governance arrangements of the Charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Congregation and enabling their ministry, with a small proportion allocated to expenditure on raising funds and provision of donations and grants. The allocation is based on the time spent on individual activities.

Tangible fixed assets

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

◆ Land and buildings

◇ Non-specialised property

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and buildings are included in the accounts at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the Trustees, who are satisfied that their residual value is not materially less than their book value.

◇ Specialised property

Specialised buildings comprise the Charity's large residential convent which is included in the account at cost. Depreciation is provided at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the Charity. No depreciation is charged until a property is brought into use.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated at rates of between 25% and 33.33% per annum on cost in order to write off each asset over its estimated useful life.

◆ Furniture and equipment

Furniture and equipment is capitalised and depreciated at 25% per annum on cost in order to write off each asset over its estimated useful life.

Fixed asset investments

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

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

Fixed asset investments (continued)

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

Investment property, comprising land and buildings, is included in the accounts at fair value which is deemed to be open market value as at the year end date as determined by the Trustees after seeking appropriate professional advice (see note 11 to these accounts for further details).

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

Programme related investments

Programme related investments comprise a loan to another organisation to finance the purchase of land, in order to be used for purposes consistent with the Charity's objectives. The assets are stated at cost. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities. Further details are given in note 14 to the accounts.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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

Fund structure

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

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

The programme related investment fund represents the net book value of the Charity's programme related investments.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds represent monies raised for a specific purpose or monies subject to donor imposed restrictions.

Details of designated and restricted funds are given in the notes to the accounts.

Pension costs

The Charity offers its employees membership of a defined contribution pension scheme administered by Legal and General.

Employer's contributions in respect to defined contribution pension schemes are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Community

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

1 Income from: Donations and legacies

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	120,653	—	120,653	132,876	—	132,876
Voluntary income – Greenstead project	—	625	625	—	17,530	17,530
Voluntary income – Melbourne Project	—	5,793	5,793	—	22,537	22,537
Other donations and similar income	6,885	10,242	17,127	7,560	35,163	42,723
Legacies receivable	1,000	—	1,000	121,223	—	121,223
	128,538	16,660	145,198	261,659	75,230	336,889

2 Income from: Investments and interest receivable

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Investment income						
. Unit trusts and common investment funds	34,171	—	34,171	18,276	—	18,276
. UK equities	59,978	—	59,978	103,967	—	103,967
. Overseas equities	26,541	—	26,541	44,432	—	44,432
. UK fixed interest	24,649	—	24,649	45,241	—	45,241
. Overseas fixed interest	2,567	—	2,567	7,653	—	7,653
. Alternative	5,341	—	5,341	—	—	—
	153,247	—	153,247	219,569	—	219,569
Rental income from investment properties	29,341	—	29,341	32,841	—	32,841
Interest receivable	5,568	—	5,568	24,244	—	24,244
Income from programme related investments	8,750	—	8,750	6,563	—	6,563
	196,906	—	196,906	283,217	—	283,217

3 Expenditure on: Raising funds

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Rental property expenses	7,375	—	7,375	13,611	—	13,611
Investment management fees	31,494	—	31,494	50,189	—	50,189
Activities for generating funds	1,158	—	1,158	1,722	—	1,722
Allocation of support costs (note 6)	15,861	—	15,861	12,385	—	12,385
	55,888	—	55,888	77,907	—	77,907

4 Expenditure on: Grants, donations and support of missionary work and ministry

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Support of missionary work and ministry						
. Grants in support of overseas missions	22,039	23,869	45,908	8,224	13,437	21,661
Donations of £1,000 or more to institutions						
. Art for Fun	—	—	—	1,000	—	1,000
. CAFOD	4,500	—	4,500	2,500	—	2,500
. Sanctus	2,131	—	2,131	—	—	—
. CCII CSA	—	—	—	1,300	—	1,300
. The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO (note 22)	63,578	2,137	65,715	—	13,934	13,934
. Dunkirk Mission	—	—	—	—	1,302	1,302
. Durham University	—	—	—	58,640	—	58,640
. OODIL CIO (note 22)	300,000	—	300,000	2,000,000	—	2,000,000
	370,209	2,137	372,346	2,063,440	15,236	2,078,676
Other donations to institutions (less than £1,000 each)	4,771	—	4,771	5,467	—	5,467
Donations to individuals	96	—	96	762	1,891	2,653
Allocation to support costs (note 6)	15,782	—	15,782	15,471	—	15,471
	412,897	26,006	438,903	2,093,364	30,564	2,123,928

Donations to individuals include payments to 3 (2020: 8) individuals.

OODIL CIO was incorporated on 9 December 2019, Charity Registration Number 1186851. Its objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford and the town of Colchester. The Charity donated a property valued at £300,000 to OODIL CIO (2020: £2m was donated to help establish the CIO and to enable it to fulfil its charitable objectives).

The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO ("the Cemetery CIO") was incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £65,715 (2020: £13,934) to the Cemetery CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest.

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5 Expenditure on: Support of members of the Community and their ministry

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Premises	59,289	—	59,289	94,218	—	94,218
Depreciation	62,756	—	62,756			
Maintenance and upkeep of cemetery	—	—	—	73,389	—	73,389
Living and personal expenses	64,468	—	64,468	79,038	—	79,038
Retreats, spiritual direction, formation and other similar expenses	3,618	—	3,618	4,180	—	4,180
Melbourne Project	—	2,860	2,860	—	11,715	11,715
Greenstead Project	—	648	648	—	15,975	15,975
Allocation of support costs (note 6)	118,388	—	118,388	99,436	—	99,436
	308,519	3,508	312,027	350,261	27,690	377,951

6 Support costs

	2021			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (8)	3,562	3,562	65,054	72,178
Other costs	1,254	1,254	22,900	25,408
Professional fees	5,774	6,749	18,838	31,361
Governance costs (note 7)	5,271	4,217	11,596	21,084
	15,861	15,782	118,388	150,031

	2020			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (8)	2,738	2,738	50,024	55,500
Other costs	843	843	15,409	17,095
Professional fees	2,055	6,491	19,157	27,703
Governance costs (note 7)	6,749	5,399	14,846	26,994
	12,385	15,471	99,436	127,292

The charity has allocated its support costs on a basis consistent with the use of resources.

7 Governance costs

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Professional fees	21,084	—	21,084	26,994	—	26,994

8 Net income (expenditure) before transfers

This is stated after charging:

	2021 £	2020 £
Staff costs (note 9)	72,178	55,500
Depreciation	62,756	54,734
Auditor's remuneration (including VAT)		
. Statutory audit current year	19,200	23,094
. Statutory audit prior year	1,356	3,900
. Other services	528	—

9 Staff costs, key management personnel and transactions with Trustees

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	67,678	52,399
Social security costs	1,116	479
Other pension costs	3,384	2,622
	72,178	55,500

The number of employees during the year was as follows:

	2021 No.	2020 No.
Support of members of the Community and their ministry		
. Average	3.0	3.0
. Full time equivalent	1.6	1.6

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2020 – none).

The Trustees of the Charity comprise the Charity's key management personnel. They received no remuneration in connection with their duties as Trustees or their role as key management personnel during the year (2020 – none).

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees who are members of the Community to the Charity was £31,421 (2020 – £38,236).

10 Taxation

The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is a registered Charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings		Furniture, equipment & computers £	Motor vehicles £	2020 Total £
	Specialised property £	Non- specialised property £			
Cost					
At 1 October 2020	2,136,461	1,284,370	19,946	68,898	3,509,675
Additions	891,266	563,799	10,599	—	1,465,664
Disposals	—	(318,887)	—	—	(318,887)
At 30 September 2021	3,027,727	1,529,282	30,545	68,898	4,656,452
Depreciation					
At 1 October 2020	510,405	5,312	11,463	40,477	567,657
Charge for the year	42,729	—	7,086	12,941	62,756
Released on disposal	—	—	—	—	—
At 30 September 2021	553,134	5,312	18,549	53,418	630,413
Net book values					
At 30 September 2021	2,474,593	1,523,970	11,996	15,480	4,026,039
At 1 October 2020	1,626,056	1,279,058	8,483	28,421	2,942,018

Land and buildings include a property purchased during the year and subject to a long lease originally of 150 years, commencing on 1 March 2007. The net book value of this property at 30 September 2021 was £202,411. All other land and buildings owned during the year were freehold.

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

12 Fixed asset investments

	COIF Charities Fund £	Investment properties £	Listed investments £	2021 Total £	2020 Total £
Market values					
At 1 October 2020	—	1,170,000	11,243,422	12,413,422	12,808,960
Additions at cost	—	—	9,490,986	9,490,986	3,242,293
Disposals (see below)	—	—	(9,052,069)	(9,052,069)	(3,706,592)
Net unrealised investment gains	—	—	749,571	749,571	68,761
At 30 September 2021	—	1,170,000	12,431,910	13,601,910	12,413,422
COIF Charities deposit fund	333,344	—	—	333,344	741,795
Cash held by investment manager for reinvestment	—	—	29,064	29,064	710,727
Total investments at 30 September 2021	333,344	1,170,000	12,460,974	13,964,318	13,865,944
Cost of investments at 30 September 2021	—	294,258	11,140,930	11,435,188	10,293,799

Disposals at book value included above are made up of the following:

	2021 £	2020 £
Proceeds	10,005,081	3,673,954
Realised (gains) losses	(953,012)	32,638
Disposals at book value	9,052,069	3,706,592

Investment properties

The investment property comprises four residential properties:

- ♦ A farmhouse, barn and adjoining land which was valued at £320,000 by the Trustees based on indicative market values but subject to life tenancy at a peppercorn rent, using information provided by Elwell Taylor, Chartered Surveyors on 11 November 2020. The Trustees believe there to have been no material change in valuation between 11 November 2020 and 30 September 2021.
- ♦ Three residential properties which were revalued on an open market value basis on 11 November 2020 by the Trustees based on indicative market values provided by Elwell Taylor, Chartered Surveyors. The market values of these properties were £850,000 as at that date. The Trustees believe there to have been no material change in valuation between 11 November 2020 and 30 September 2021.

Listed investments

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

12 Fixed asset investments (continued)

At 30 September 2021, listed investments and cash held by investment managers for reinvestment included £484,679 (2020 – £434,244) representing amounts administered on behalf of individual members of the Community (note 15). Included within the net gains on investments for the period are net gains of £51,146 relating specifically to these investments (2020 – net losses of £24,153). The net gains (2020 – losses) are reflected in the amount due to individual members of the Community and hence they are not accounted for through the statement of financial activities.

Listed investments held at 30 September 2021 comprised the following:

	2021 £	2020 £
UK unit trusts and common investment funds	10,426,413	3,953,430
UK equities	355,787	3,316,021
UK fixed interest stocks	—	1,450,330
Overseas equities	1,422,662	2,046,942
Overseas fixed interest stocks	227,048	176,699
Cash instruments	—	300,000
	12,431,910	11,243,422

At 30 September 2021, the following individual holdings were deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	6,370,723	51.2
Sarasin Climate Active Endowments Fund Class A Inc	4,055,690	32.6

At 30 September 2020, the following individual holding was deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	3,284,914	29.22

Notes to the accounts Year to 30 September 2021

13 Programme related investments

At 30 September 2021, the Charity held investments which were held directly in pursuit of the organisation's charitable activities as follows:

	2021 £	2020 £
At 1 October 2020 and 30 September 2021	250,000	250,000

During the year to 30 September 2018, the Charity advanced a loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to assist in purchasing a property. This property will be used to provide shelter to young homeless adults, a purpose consistent with the Charity's objects. The loan is secured by a charge over the property and is subject to a fixed interest rate of 3.5% and is repayable by December 2027.

14 Debtors

	2021 £	2020 £
Proceeds receivable on sale of investment	—	76,664
Investment income and interest receivable	9,662	26,106
Sundry debtors	4,030	5,835
Prepayments	14,787	9,627
	28,479	118,232

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Monies administered by the Charity on behalf of individual members of the religious Community	485,393	434,244
Expense creditors	17,321	20,255
Other taxes and social security costs	1,002	—
Donations payable to missions (note 4)	—	86,074
Legacies payable in respect to a deceased sister	—	70,042
Expense and other creditors	19,200	22,000
	522,916	632,615

Monies administered by the Charity on behalf of individual members of the religious Community comprise listed investments of £485,393 (2020 – £434,244) (note 11).

16 Tangible fixed assets fund

	2021 £	2020 £
At 1 October 2020	2,942,018	2,648,986
Net movement in the year	192,755	293,032
At 30 September 2021	3,134,773	2,942,018

The tangible fixed assets fund represented the net book value of the Charity's tangible fixed assets, excluding the property representing the Gateway of Hope designated fund. A decision was made to separate this fund from the general fund of the Charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the Charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

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17 Programme related investment fund

	2021 £	2020 £
At 1 October 2020 and 30 September 2021	250,000	250,000

The programme related investment fund represents the value of the Charity's programme related investments both fixed and current assets. Their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

18 Designated funds

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for a specific purpose:

	At 1 October 2020 £	New designations £	Utilised/ released £	At 30 September 2021 £
Charitable donation fund	8,703,840	1,250,793	(1,555,042)	8,399,591
Gateway of Hope fund	—	1,300,000	—	1,300,000
Sisters' retirement fund	5,000,000	—	—	5,000,000
Meet the Need fund	5,562	—	—	5,562
	13,709,402	2,550,793	(1,555,042)	14,705,153

	At 1 October 2019 £	New designations £	Utilised/ released £	At 30 September 2020 £
Charitable donation fund	10,881,887	127,777	(2,305,824)	8,703,840
Sisters' retirement fund	4,823,000	177,000	—	5,000,000
Meet the Need fund	5,562	—	—	5,562
	15,710,449	304,777	(2,305,824)	13,709,402

◆ Charitable donation fund

The charitable donation fund comprises assets set aside with the broad intention of using them to finance grants and donations to third parties both within the UK and overseas. This fund was set up with the unspent proceeds receivable from investment land which was sold in October 2014. The monies were invested to generate funds and are being applied as grants and donations.

◆ Gateway of Hope fund

The Trustees have set aside £1.3 million to fund a project to provide housing for women in the criminal justice system. Part of the funds have been used to purchase a property which, following the granting of planning permission for change of use, may be used for this purpose.

◆ Sisters' retirement fund

The Sisters' retirement fund represents monies set aside to make provision for the support of the Religious in their retirement and to support their ministries. The value of the fund has been calculated using actuarial methods, to provide a modest sum towards the upkeep and care of the Sisters' in years to come.

18 Designated funds (continued)

♦ Meet the Need fund

The fund represents donations received during Easter over several years and has been set aside by the trustees to finance youth bursaries.

19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trusts to be applied for specific purposes.

	At 1 October 2020 £	Income £	Utilised/ released £	Transfers £	At 30 September 2021 £
Melbourne Project fund	57,545	5,793	(2,860)	—	60,478
Greenstead Project fund	37,212	625	(648)	—	37,189
Overseas Missions fund	36,722	44	—	—	36,766
Cemetery fund	2,137	—	(2,137)	—	—
Other restricted funds	32,987	10,198	(23,869)	—	19,316
	166,603	16,660	(29,514)	—	153,749

	At 1 October 2019 £	Income £	Utilised/ released £	Transfers £	At 30 September 2020 £
Melbourne Project fund	45,443	23,767	(11,715)	50	57,545
Greenstead Project fund	35,622	17,530	(15,975)	35	37,212
Overseas Missions fund	39,787	10,245	(13,327)	17	36,722
Cemetery fund	14,557	1,500	(13,934)	14	2,137
Other restricted funds	14,071	22,188	(3,303)	31	32,987
	149,480	75,230	(58,254)	147	166,603

The Melbourne Project fund and the Greenstead Project fund comprises monies received specifically for the support of community-led activities in Melbourne (Chelmsford) and Colchester respectively.

The Overseas Missions fund comprises monies received specifically for the support of the members of the Community and their missionary work in Africa.

The Cemetery fund comprises monies received specifically for the upkeep and maintenance of the cemetery and to fund funeral expenses.

Other restricted funds comprise monies received for several specific purposes.

20 Analysis of net assets between funds

Fund balances at 30 September are represented by:

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	—	3,134,773	—	891,266	—	4,026,039
Investments	559,165	—	250,000	13,405,153	—	14,214,318
Net current assets	709,760	—	—	408,734	153,749	1,272,243
Total net assets	1,268,925	3,134,773	250,000	14,705,153	153,749	19,512,600

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2020 £
Tangible fixed assets	—	2,942,018	—	—	—	2,942,018
Investments	97,902	—	250,000	13,768,042	—	14,115,944
Net current assets	930,357	—	—	(58,640)	166,603	1,038,320
Total net assets	1,028,259	2,942,018	250,000	13,709,402	166,603	18,096,282

The total unrealised gains as at 30 September 2021, constituted movements on revaluation and were as follows:

	2021 £	2020 £
Total unrealised gains included above:		
On listed investments	1,290,980	1,243,881
On investment properties	875,742	875,742
	2,166,722	2,119,623
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 October 2020	2,119,623	2,796,689
On disposal of investments	(702,472)	(745,827)
Net gains arising on revaluation in the year	749,571	68,761
Total unrealised gains at 30 September 2021	2,166,722	2,119,623

21 Members of the CIO and limitation of liability

The members of the CIO are its trustees for the time being.

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

22 Related party transactions

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant. During the year, the total amount donated by the Trustees who were members of the Community to the Charity was £31,421 (2020 – £38,236).

22 Related party transactions (continued)

Two trustees who are not members of the Community donated £100 each to the Charity (2020 – nil).

Sister Moira O'Sullivan, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, OODIL CIO incorporated on 9 December 2019 Charity Registration Number 1186851. OODIL's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford, the town of Colchester. During the year the Charity donated a property valued at £300,000 to OODIL CIO (2020: the Charity donated £2million to help enable it to fulfil its charitable objectives (note 4).

Sister Margaret Mary Horton, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO, incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £65,715 (2020: £13,934) to The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest (note 4).

During the year, the husband of Mrs Sheila Alder, a trustee of the Charity (appointed on 22 March 2020), provided consultancy services to the Charity in return for fees totalling £13,600 (2020: £9,300). In addition, he was reimbursed £847(2020: £976) for out of pocket expenses, £nil was outstanding in respect to these services at 30 September 2021 (2020 - £nil).

There were no other related party transactions requiring disclosure (2020 - £nil).

23 Post balance sheet events

Since the year end the charity had approved two material grants and donations from the Charitableas follows:

Durham University

The Trustees of the Charity are working with Durham University in establishing a Chair in the History of Catholicism and have agreed to donate £1.2 million over the next four years. A contract in relation to the grant is currently being negotiated. It is expected that the funding will be provided in four equal instalments commencing in the year to 30 September 2022.

Elijah's Pot CIO

The trustees of the Charity have resolved to donate approximately £5 million to a newly established Independent Charitable Incorporated Organisation, Elijah's Pot CIO (which is registered with the Charity Commission under Charity Registration Number 1195718). The objective of Elijah's Pot CIO is to carry on the work of the Community of the Regular Canonesses of the Holy Sepulchre of Our Lord in England. This donation will be in the form of transfer of listed investments and cash held for investment by the investment managers.

Accounts

**The Charity
of the Regular
Canonesses of the
Order of the Holy
Sepulchre
of Our Lord**

Annual Report and Accounts

30 September 2020

Charity Registration Number
1167869

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

Trustees	Sister Teresa Lenahan CRSS (to 22 March 2020) Sister Moira O'Sullivan CRSS – Chair (ex-officio) Sister Mary Christina Birmingham CRSS (to 22 March 2020) Sister Margaret Mary Horton CRSS Sister Teresa Ann Hughes CRSS (from 22 March 2020) Mr John Graham Tomlins (from April 2019) Mrs Sheila Alder (from 22 March 2020)
Prioress	Sister Teresa Lenahan CRSS (to 21 March 2020) Sister Moira O'Sullivan CRSS (from 21 March 2020)
Bursar	Sister Moira O'Sullivan CRSS (to 22 March 2020) Sister Mary Christina Birmingham CRSS (from 22 March 2020)
Financial administrator	Mrs Anne Bray
Principal address	74 Howe Close Colchester Essex C04 3XD
Telephone	01206 867296
Charity (CIO) registration number	1167869
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Reliance Bank Limited Faith House 23-24 Lovat Lane London EC3R 8EB

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

Investment advisers/ managers

Fiske plc
Salisbury House
London Wall
London
EC2M 5QS

Brewin Dolphin Limited
12 Smithfield Street
London
EC1A 9LA

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Sarasin and Partners LLP (from April 2021)
Juxon House
100 St. Paul's Churchyard,
London EC4M 8BU

Hambro Perks Ltd (from April 2021)
111 Buckingham Palace Rd,
Victoria,
London SW1W 0SR

Land agents

Savills
Parkview House
Victoria Road South
Chelmsford
CM1 1BT

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

Solicitors	Howes Percival Solicitors The Guildyard 51 Colegate Norwich NR3 1DD
	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
	Leonard Gray Solicitors 72-74 Duke Street Chelmsford CM1 1JY

The Trustees present the annual report and accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the "Charity") for the year ended 30 September 2020.

The Community of the Regular Canonesses of the Holy Sepulchre of Our Lord in England (the "Community") comprising 13 members is the one autonomous Community in England and is part of an international Roman Catholic Religious Order which began in the 12th century.

The accounts accompanying this report are the accounts of the Charitable Incorporated Organisation (CIO) which is registered with the Charity Commission under Charity Registration Number 1167869 through which the assets of the Community in England are administered.

The accounts have been prepared in accordance with the accounting policies set out on pages 37 to 43 of the attached accounts and comply with the Charity's Constitution, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objects, aims, objectives, activities and relevant policies

Charitable objects and aims

The Charity's objects, as set out in its Constitution, are in connection with the Roman Catholic Religion, carried out in ways and places chosen by the Trustees.

Within these charitable objects, the Charity has sought:

- ◆ To continue to be alert and active in meeting local needs in the three areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead.
- ◆ To continue to engage people around us in reflective discussions on spiritual questions. During the year there has been a focus around climate change and care for the planet.
- ◆ To continue work on our legacy going into the long-term future. This will involve the work done through Durham on our archives, and also the creation of a new charity for the cemetery.
- ◆ To finalise the creation of two new CIOs; one for the cemetery and the other for the housing project - both referred to in the report below.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community.

Objects, aims, objectives, activities and relevant policies (continued)

Charitable objects and aims (continued)

- ♦ Paying due heed to the impact of the Covid-19 pandemic and its consequences, both socially and economically, we will continue to continue to work towards the good stewardship of the monies we are receiving from the sale of our land both for the present and the future.

Principal activities during the year

We have continued to work thoughtfully towards greater involvement from Lay People in the running and administering of our business and work. We appointed our second Lay Trustee in March 2020 and Sheila Alder has taken on particular responsibilities on the Trustee Board.

In common with the rest of the world, our year has had two distinct parts, almost neatly divided into 6 months pre Covid-19 and the post Covid-19 months. The pandemic and its consequences have made us increasingly aware of our frailty and vulnerability and we have felt a greater sense of urgency in getting our affairs in good order for the long term. The pandemic has also highlighted the increasing frailty of several members of the Community as most were in a strict lockdown regime for several months due to age and some underlying medical conditions.

In both halves of the year we have each tried to continue some form of active involvement in social and pastoral work within our local communities and parishes. The months from the end of March onwards demanded new strategies for this, and new learnings of how to maximise technological communication possibilities. Even during lockdown some of us were able to work with other groups and charities to support many vulnerable groups in particular need in our localities. We felt anew the relevance of the Community charism and spirituality which is to be alongside people in their ordinary lives and to live with them in Resurrection hope. That hope was much needed during the lockdown months and our situation of powerlessness and vulnerability meant that we had a real lived relationship with the many people we contacted in different ways and who needed the message of hope that we could offer from our shared weakness.

We continue to be aware of the more constrained financial situations of the more disadvantaged people amongst whom we are living and have found that there have been increasing calls on us for support of different kinds. This was particularly true during the lockdown months when we offered resources and educational support to families in need, especially those who did not have access to laptops and the internet for their children's home schooling. Active engagement in Ministry is an important part of our identity and is an expression of our charism and spirituality, being always a vocational response to a situation of need. Therefore, we have continued to prioritise finding ways of helping every sister to remain as actively involved in Ministry as possible.

Some of our Ministries address particular spiritual needs and some are direct responses to the needs of the estates and the streets where we live. In general terms, our Ministries in Chelmsford, Colchester and East London continued in an unchanged way until March and then had to find new forms where possible, and we became very aware of the importance of any form of regular communication with families and people living in isolation. We had to be flexible when these particular new needs presented themselves.

Objects, aims, objectives, activities and relevant policies (continued)

Principal activities during the year (continued)

We are resident in three areas of the Brentwood Diocese – in East London, Chelmsford and Colchester. Each of our houses is situated by choice in an area of disadvantage – in or near housing estates known to be deprived in a multiplicity of ways. Wherever possible we work ecumenically and with people of no explicit faith. As we live in areas where division is easily exploited to turn to aggression, we believe that this collaborative way of being adds an essential dimension to our neighbourhoods. Some of the sisters are part of groups across churches, across faiths and across other neighbourhood interest groups who meet regularly to work and plan together for the good of the local people.

Volunteers

Throughout the year, members of the Community have given their time in a voluntary capacity to assist people who are in need. Almost all this work comes with no financial reward, but contributes significantly to the overall objectives of the Charity. The work includes education, spiritual guidance, parish work, local community outreach and hospital visiting. In addition, some sisters are involved in the administration of the Charity.

We are equally aware that the Charity's activities only function so well as a result of the many volunteers who give their time generously to further the objectives of the Charity.

Conscious that we wish to report on the Community's voluntary work at the level of the minimum wage, we have therefore tried to give some overall sense this year of what that contribution is currently, from both Community members and volunteers.

We have estimated that on average we could claim that the Community does 200 hours a week voluntary work, including the administration of the Charity and work for the Order. The minimum living wage is currently £8.72 per hour. To this we might add a further 100 hours given by our volunteers. This amounts to over £2,600 a week of time voluntarily given to build up our local communities and support those in the greatest need.

As we continue to have regular volunteers working with groups in Melbourne (Chelmsford) and in Colchester, we seek to ensure that there are comprehensive checks and reviews in place to ensure that these volunteers are well inducted and trained in their work and responsibilities.

Professor Michael Alder, our Compliance Coordinator, has been effective during the year in keeping our DBS checks up to date, effective and stress-free. He has done a systematic review of all our policies and checks, and keeps us faithful to the agreed review processes.

We are now working more and more with retired professionals who voluntarily give the Community advice and support. Many of these scenarios will be mentioned later in this report.

Objects, aims, objectives, activities and relevant policies (continued)

Volunteers (continued)

This is our third year of working with a finance sub-committee and their input has been key to our remaining in a relatively good financial position despite the downturns due to the pandemic. Over the past 12 months they have rationalised our investments, suggested diversifications for the portfolios and introduced the principle of varying risk levels to suit the aims of the different investment 'pots'. The Chair of this group has proposed and implemented effective structural changes to our investment patterns and, with the other members of his team, had effective meetings with the investment managers twice during the year. There have been regular 'cascading' sessions from that committee to the Trustees and also one session with the whole Community during the year.

Protection of Children and Vulnerable Adults

The Trustees recognise the absolute necessity of ensuring the protection and safety of all those people whom the Charity serves. All the sisters who are involved in any kind of ministry have been checked by the Disclosure and Barring Service (DBS), as have all the adult volunteers. The Trustees are committed to the implementation of all the policies and procedures proposed by CSAS (The Catholic Safeguarding Advisory Service) and the NCSC (National Catholic Safeguarding Commission).

We can confirm that we have a written policy for safeguarding our vulnerable beneficiaries, and that there have been no serious incidents in respect to safeguarding to report during this last year.

Public benefit

All the Trustees are conversant with the Charity Commission's guidelines concerning Charities and Public Benefit and have given consideration to them when assessing our activities. We therefore believe that we have complied fully with the duty in Section 4 of Part 1 of the Charities Act 2011 to have due regard to the Public Benefit guidance published by the Commission.

Fundraising policy

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The Charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of professional fundraisers.

The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the Charity received no complaints about its fundraising activities.

Objects, aims, objectives, activities and relevant policies (continued)

Investment policy

There are no restrictions on the Charity's power to invest. The Charity's investments were managed by three professional investment managers during the year. The investment strategy is set by the Trustees with advice from their investment managers. It takes into account the Charity's income requirements for the year, the risk profile and the investment managers' views of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income as advised by the Trustees from time to time. The Trustees also have an Ethical Policy which precludes investment in any company, which after reasonable enquiry, clearly generates significant profits from an activity which is contrary to the objectives of the Catholic Church.

The performance of the portfolios and the Charity's investment strategy are reviewed by the Trustees whose representatives meet with the investment managers on a regular basis.

The finance committee and the Trustees undertook a thorough review of investment managers for the needs of the coming years and this included two days of interviewing seven different firms. The course of action proposed by the Chair of the finance committee to the Trustees was to change from Fiske plc and Brewin Dolphin Limited to Sarasin and Partners LLP and Hambro Perks Limited. This proposal was accepted and the change over is in mid course.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry in the United Kingdom and overseas are decided on by the Trustees in consultation with other members of the Community as appropriate.

Whilst the Trustees give grants to United Kingdom organisations whose work is within the objects of the Charity, the Charity does not regard itself as a grant making entity and applications for grants and donations are not invited.

Achievements and performance

Social and pastoral work

Meeting local needs

We have continued our active ministry in the three areas of the Diocese where we are resident. Our particular Ministries are chosen as expressions of our spirituality and charism, and stem directly from the essence of our identity as Canonesses of the Holy Sepulchre.

Achievements and performance (continued)

Social and pastoral work (continued)

Meeting local needs (continued)

One of the most important aspects of our identity as Canonesses of the Holy Sepulchre is to live alongside people in their ordinary lives - seeking to bring God to people in the everyday circumstances of life, as well as in heightened personal or liturgical experiences. We are Community people, living community and building community wherever we are. Our Community life of prayer and ministry seeks continually to find appropriate and effective ways of living and sharing the Gospel with the people around us.

Our whole life therefore has a particular accent on inclusivity. Our moments of shared prayer are open to all and our Ministries often focus on people who may find themselves on the margins or who are losing hope.

Within each of our living areas we give concrete expression to our charism in ways best suited to the area. We respond to local needs in ways appropriate to the situation and to our skills and experience. We have continued to engage in relevant training, have secured funding for some of these activities, and have always sought to work collaboratively.

Safeguarding training is always a point on the Conference for Religious agenda and regular updates are given through newsletters. This training and information is cascaded to the whole Community. Our Compliance Co-ordinator ensures that he keeps updated on safeguarding matters through regular online training and research through the Trustee nominated with safeguarding responsibilities.

There are likely to be structural changes in the way Safeguarding is led and managed within the Catholic Church and our Compliance Co-ordinator and Prioress have been part of Zoom discussions and meetings in June 2020 organised by the Conference of Religious, to look at what this means and what changes may come about. We are also aware that any changes will come at a financial uplift to all Religious.

Our financial administrator attended the Provincial Bursars' Conference in October 2019 and brought back several items for the attention of the Trustees. These included: follow-up work on data audits; data protection; privacy notices; record-keeping; cyber fraud and enduring powers of attorney. This information was cascaded as appropriate to the Community.

Our sister who works in community mental health took advantage of lock down to obtain online a certificate in Psychology and Mental Health (Beyond Nature and Nurture) in June 2020 issued by Liverpool University. This will support the chaplaincy work which she does.

Our Compliance Co-ordinator keeps the Trustees abreast of all changes pertaining to Health and Safety, insurance matters, tenancy agreements and cemetery matters. He has also been involved in strategic sessions/training with another Trust.

Achievements and performance (continued)

Social and pastoral work (continued)

Meeting local needs (continued)

It is important that any sisters engaged in active ministry keep abreast of initiatives and are linked into local development groups. For this reason the Melbourne project is an active part of the North West Chelmsford Action group, where regular updates on best practice are given and information about new initiatives are shared.

The sisters who are actively engaged in Spiritual Direction receive regular support from their supervision groups and mentors.

Wherever we are, our Community is a place of open, inclusive welcome, and that particular gift we bring to our local Communities and parishes. Our houses are open to anyone who wants a listening ear, practical help or someone with whom to pray. As Canonesses, we follow the Rule of St Augustine and we find inspiration in his dictum:

‘Since you cannot do good to all, you are to pay special attention to those who, by the accidents of time, or place, or circumstances, are brought into closer connection with you.’

Our houses are used from time to time as a venue for meetings and hospitality for social events.

The house in Colchester has been used regularly on a Thursday morning as the meeting place for a local group of ‘older’ people to gather for company and a shared morning.

The local calligraphy group also meets in that house on a Friday morning.

Most sisters are actively involved in the life of the Community and in some form of ministry outside the Community to the degree to which her age and capacities allow. For some this is primarily based in the parish where the sisters engage in different pastoral and liturgical ministries. For others it is primarily in the wider community. Ministries range widely: taking communion to people in their homes – working with the homeless – leading Scripture courses – spiritual accompaniment – working with the local Youth Centre.

Some of the Community members are also trustees of other charities including a housing charity, the Medaille Trust, Anchor House and a youth centre in Chelmsford.

Some of the sisters in Colchester are engaged in personal spiritual accompaniment in a formal way and regularly offer spiritual direction to a number of people.

Some of the Community there are also involved in a programme of Quiet Days which attract people from a wide area. Each day has a theme and gives people a chance to reflect and pray individually and together.

There have been two such days in the last year. Each has been very well attended and clearly met a particular need. They include between 8-20 visitors on average who come from an ecumenical range of churches in the Diocese.

Achievements and performance (continued)

Social and pastoral work (continued)

Meeting local needs (continued)

The days are thematic and this year covered the following topics:

- ◆ Waiting
- ◆ Starting from Now

Our regular prayer is open to others and prior to lockdown there was always a regular attendance of a group of others in Melbourne.

With the advent of lockdown we switched our attention to using our website and database of contacts to offer reflection and guidance through these difficult times. We sent out a reflective newsletter about every third week and day by day sent out material for prayer and meditation. All of these were posted daily on our website. The group of people who joined us for daily prayer 'virtually' was regular and appreciative and we received a lot of positive feedback from both initiatives.

In our parishes, we particularly use opportunities in Lent and Advent to engage both church and non-church people in reflective services and times of quiet. Those which weren't cancelled during the pandemic were much appreciated by the many people who attend as the times are engaging and relevant to today's world and faith questions. Members of the Community have continued to lead Bible Study sessions and Days of Reflection in other parishes as well as in their own, although again some of these had to be cancelled this year.

Each of our community groups is engaged in work which is of particular need locally. Some of our local community work in both Melbourne and Colchester is externally funded. There are links with local schools and we have worked positively with other volunteers who themselves need support and derive confidence from their volunteering.

Every sister has continued to take time to accompany individuals in their spiritual, personal and emotional needs, whether this has been an explicitly religious accompaniment or whether it has been meeting a need which has literally arrived on our path in the neighbourhood.

In different ways, each of our Community groups has continued to be involved in parish life, ecumenical activities and collaborative work with different non-religious agencies. We have sisters working with projects for the homeless, with a café at the Anglican cathedral, with a local youth centres and with over-arching groups which look to the general good of the neighbourhood. Members of the Community are active members of ecumenical groups which work together to serve the needs of the locality.

Achievements and performance (continued)

Social and pastoral work (continued)

Meeting local needs (continued)

Photos from groups led by Community showing several volunteers as well as Community members.



Sewing group



Cookery session for the Wisdom group

Cookery projects have continued during the first half of the year, and the sessions with teenagers have been particularly successful. These courses are valued by the participants and by the local community who see them as contributing to the Healthy Living agenda in a very hands-on and practical way.

We have continued to offer hospitality and friendship to a refugee family living near our Community. Thanks to the support of one of our local volunteers the older boy in the family has been moved up a set in Maths.

We have a tradition of initiating activity weeks or play schemes for children from the estates during the holidays. These had to be cancelled this year but alternative forms of outreach to some of these families was found.

Achievements and performance (continued)

Social and pastoral work (continued)

Meeting local needs (continued)

The photos below show the delivery of some of the fun activity boxes to local families in both July and August.



In East London, one sister continues her Chaplaincy work in support of people with mental health problems in Newham.

Another has been volunteering - ranging from supporting refugees and asylum seekers to working with the homeless with the Franciscan Friars of the Renewal in Canning Town – photo below during post lockdown period.

During the year the Trustees have terminated the lease for the Forest Road Meeting Hall in Greenstead as another group was prepared to take it on. The monies accrued from the hiring out of the hall were used for dilapidation costs and will then be used to support families local to the area where the meeting hall is situated. Some of the money has already been used to purchase laptops for children without access to internet home schooling.

Achievements and performance (continued)

Social and pastoral work (continued)

Social and Pastoral Care for our sisters in Africa

As our Community is part of a wider Association of Communities worldwide, we have continued to have a special care for our sisters based in the Democratic Republic of Congo and in Rwanda.

We support them through our prayer and material care with their basic needs. We also involve our many contacts in getting to know about the political and social situations in both countries.

We have had a few small fundraising events this year, but the major events had to be cancelled due to the pandemic.



We have run our Christmas Giving scheme for the fourth year and again raised £720 plus Gift Aid for particular named projects.

There was a Quiz Night in the Blessed Sacrament parish as well as a few Lent lunches and a Christmas event. Together these events raised about £600.



We had to cancel the annual fundraising garden party but devised an alternative which was delivering 'afternoon tea' to people in their homes.

Achievements and performance (continued)

Social and pastoral work (continued)

Social and Pastoral Care for our sisters in Africa (continued)

This initiative was taken up by over 200 people and raised just over £4,000.



**WISH WE
WERE HERE
BUT HOME
DELIVERY
SERVICE
AVAILABLE**



We have also been greatly encouraged by those contacts we have who have done their own fundraising for the project.

We have sent out our annual 'Africa Newsletter' again and this updates our friends and benefactors on the different projects we have been supporting and also raises awareness of the human, political and social issues which make life so precarious in those countries.

The project of sending volunteers to Rwanda has been stopped although past volunteers are still in good contact with the Community there and some support their projects financially.

Achievements and performance (continued)

Social and pastoral work (continued)

Social and Pastoral Care for our sisters in Africa (continued)

We have supported our African sisters in Dunkirk both financially and through visits. The photo to the right was taken in February of this year when six of the Community travelled to Dunkirk to meet the group of African sisters resident there and also to meet the Prioress of Kindu who was visiting Europe.

She updated us on the new building which we had financed and showed us some recent photos (below).



Achievements and performance (continued)

Social and pastoral work (continued)

Finding opportunities to engage in reflection and discussion on spiritual questions

We have continued to run a programme of Quiet Days and these are well supported and appreciated.

Our daily Community prayer is open to everyone and there have been regular numbers joining us in Melbourne and benefitting from the regular rhythm of shared prayer through the liturgical seasons.

The opportunities we offer our Companions for reflection and discussion have continued and we were pleased that some of the Companions themselves have helped to prepare some of the events and reflections.

Our theme this year has been Climate Change and despite the imposed curtailment of events we were able to make some inroads into this theme before lockdown.

We began to explore the topic by sharing a viewing of the film 'An Inconvenient Truth' fronted by Al Gore.



There were about 50 people with us on that occasion. It was followed up with a session led by Jack Wakefield from Tearfund who related the topic to today's reality and lifestyle.



This was a very well-attended and appreciated afternoon which provoked a lot of discussion. It led to some small group meetings and resolutions for Lent.

The next meeting was due to be led by Vicky Ford MP who is active for the government on this whole topic. This session was due to be in May and was cancelled.

During the Lockdown period we sent round regular prayers, articles and points of interest to nearly a hundred contacts daily in order to keep connected and stimulate reflection.

Achievements and performance (continued)

Social and pastoral work (continued)

Work on our legacy

We have our work on finding the right future for our material legacy in the form of both our archives and our cemetery.

We are very pleased with the care and attention that our archive material is receiving at Durham University. The channel of communication is always open and we receive regular updates about how the cataloguing is proceeding and about any new blogs or Twitter posts.

In January Durham University hosted a seminar which two of the Community attended which looked in depth at the significance of our Archive collection and also the potential for using material for outreach with different audiences. Below are some photos taken on that day.



We are continuing our relationship with Durham in a variety of ways, including the funding of two posts to do further work on our archive collection. The first of these posts has been running since January and is focussed on the proper cataloguing and organisation of the collection, including full digitisation. There have already been articles and blogs emanating from the work done.

The second has been the appointment of a post doctoral student to bring to life significant parts of the Archives so that they become more accessible and useable by a wider audience. Dr Cormac Begadon was appointed in this position and, despite lockdown interrupting his visits, he has been able to access a lot of digitised material which has given him interesting lines of research and discovery.

Achievements and performance (continued)

Social and pastoral work (continued)

Work on our legacy (continued)

He came to talk to the Community in February and gave a stimulating introduction to his work. He also contributed to the seminar in January. Since then we have had regular contact both with him and his supervisor Dr Kelly and we are very pleased with how his research has progressed. He has led a Zoom session with the whole Community in attendance. He has also spoken to us in person twice to give us updates.



The work towards securing the future for the cemetery has progressed well and after some struggle, the cemetery is now safely in the hands of a new CIO. This CIO is registered with the Charity Commission – Charity Registration Number 1189656.

We have Trustees for that CIO and have given the group a generous endowment.

Good stewardship of land sale monies

We have now received the final tranche of money from the sale of our farmland around New Hall during the past year. We have continued to spend a significant amount of time reflecting on how best to use this money for the furtherance of our charitable aims and charism during our lifetime and beyond.

We have clearly established our own possible future needs into old age and possible care, and with the help of our newly established finance subcommittee have established particular goals for funds to ensure that we have enough funds for those essential needs.

In the first half of the year we identified specific projects which we wanted to investigate further, and started to do so when the pandemic hit us and the economic and social landscapes changed so dramatically.

Achievements and performance (continued)

Social and pastoral work (continued)

Good stewardship of land sale monies (continued)

Before committing ourselves to any of the chosen projects, we asked our finance sub committee for updates and guidance on our spending possibilities in the light of the potential losses we might incur from our investments.

Their advice was clear and comprehensible and we were of one mind that we should follow their guidance.

With those provisos very much to the fore we tentatively continued the conversations around our chosen areas of interest, accompanied at every stage by experienced professionals, and with reference back to ur finance body.

We have not committed to any significant new projects from the land sale money during the past reporting year but have made several strides forward in identifying and researching possible projects which fit with our criteria. Due to the pandemic, there was inevitably a delay in researching and prioritising a way forward with these projects but we have done as much as the situation allows to put us in a good position to make major spending decisions in the coming year.

We are aware that some of our donations from earlier years are still in the reporting phase and one of the Trustees has been monitoring these.

During the year we worked with a newly established charity known to us who have been working with the Home Office scheme to bring a Syrian family to Chelmsford.

The Community examined the scheme thoroughly and agreed to spend some of the landsale money on buying a suitable house for a Syrian family which we would rent to the charity at a low rental for two years. We will then reconsider how the house will be used and when it might be transferred to OODIL to secure its long term future.

Establishing our two new CIOs

As reported above both of the proposed CIOs have been accepted during this last year by the Charity Commission as charities in their own right. The process of transferring monies and property has not been either quick or simple. This CIO remained as the keeper of promised funds and properties bought for many months – until bank accounts were set up and other formalities could then follow.

OODIL's first three houses were bought by this CIO before the OODIL CIO had its own bank account and then properties could be transferred.

Monies were transferred to the new OODIL bank account in July 2020 as agreed by the Chapter and by the Trustees. Properties were transferred in August.

This means that OODIL is now self reliant and both the promised funds and the purchased properties have been removed from our books.

Achievements and performance (continued)

Social and pastoral work (continued)

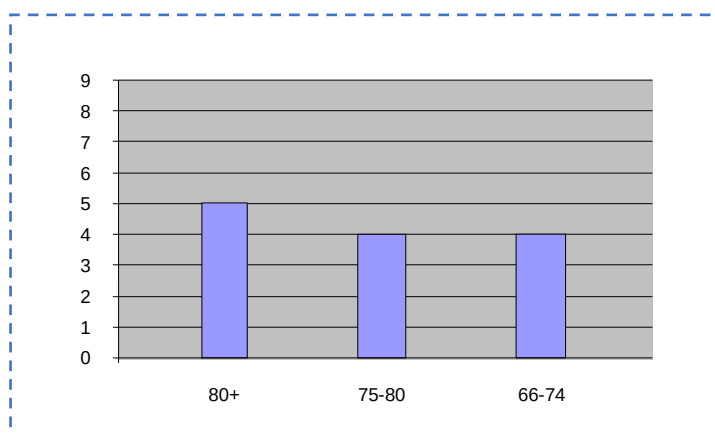
Establishing our two new CIOs (continued)

Although the cemetery was accepted by the Charity Commission as a CIO, the on-going work of transfer has been lengthy and complex. We hope that this will be complete in the coming months.

Care for our own Community Members

In common with many Religious Orders and Congregations in England, the profile of our Community shows an increasing average age. Two elderly sisters have continued to need significant care and support. We have been well served by the National Health and local Care Services but have also felt the need to supplement that provision with further resources in order to give the fullest support and dignity to those two members of the Community.

Age Profile Autumn 2020



The Community is committed, both morally and legally, to provide care for all its sisters, none of whom has resources of her own. The Trustees are aware of the need to make provision for the future care of each sister and therefore continue to give careful attention to the Community's property requirements and financial needs both now and in the years ahead. The Trustees have continued to address the needs for good maintenance and repair for the properties already in their possession and occupied by the sisters. The Trustees are also conscious of the need to exercise good stewardship towards the planet and to leave a positive lasting legacy in favour of the environment.

During the pandemic great care was taken to protect the most vulnerable older members of the Community and several adjustments were made to both living arrangements and daily routine.

The effects of not having outside contacts and remaining in one property were given thorough consideration along with an awareness of how much such enforced 'isolation' over a long period can impact an already frail and vulnerable group and the individuals in it.

We tried to be creative and flexible within the government guidelines to encourage everyone to stay healthy, get fresh air and use as many electronic means of communication as possible to stay in touch with each other, with friends and with family.

Achievements and performance (continued)

Social and pastoral work (continued)

Care for our own Community Members (continued)

We have had several Zoom Community meetings and also some face to face meetings in well aired rooms and socially distant. Being together, discerning together and making shared decisions is an essential part of our identity and way of being.

In our long term planning and budgeting, we have continued to look at the needs and well-being of each of the sisters in a holistic way, and make appropriate annual budget provision.

As there has been a need for 'in house' care we are aware that we should ensure that everyone has the space and time she needs to be able to give of herself to those most in need in the house. Each sister has therefore been encouraged to take the recreational and retreat time away that she needs, and to be involved in regular activities such as art or music.

One of our sisters died in September of this year after some weeks of care in a nursing home. Her funeral was at New Hall and she is now buried in our cemetery.

The Cemetery at New Hall

Prior to the establishment of an independent CIO in May 2020, we have continued to ensure good on-going maintenance of the place and have finished some major works. The planned second entrance through the new Beaulieu estate was completed and we have also finished a total resurfacing of the paths to ensure good wheelchair access and mobility (as seen in the photos below).



Achievements and performance (continued)

Social and pastoral work (continued)

The Cemetery at New Hall (continued)

We held our annual Mass for the Dead in November and this was well attended, mostly by people who have family and friends buried in the cemetery.



The photos above were taken during the November Mass for the Dead 2019 at New Hall and in our Cemetery.

During the reporting year there has been one further interment of a non Community member in the cemetery and one burials of ashes.

Covid-19

We are aware of the drastic changes the Covid-19 pandemic has had on the shape and nature of our world. It has impacted not only the basic nature of our social interactions but has also had a significant economic impact at every level in ways which have been outside of our control. An enforced period of confinement has had its own impact on Community members and has changed the nature of our regular contacts with one another and has limited our possibilities for reaching out to others in ways that are familiar to us.

Whilst we were able to find ways of changing and adapting within our own limitations, we have also been aware of changes in ourselves both physically and emotionally.

Our personal priorities have had to be rethought and our view of the world and its needs revised.

Along with many other charities we still cannot at this stage imagine fully what the new needs will be and what position we ourselves will be in to respond to those needs.

The charity's income will no doubt continue to be affected because of the stock market volatility and corporate uncertainty. Whilst some areas of our expenditure will increase due to price rises etc but others such as travel will fall. We will continue to keep both income and expenditure under review.

Covid-19 (continued)

On a larger scale, we are having to look again at our timescale for spending the land sale money on projects. It may be that whilst remaining committed to our chosen projects we need to find out from the stakeholders if those projects are still progressing and also flag up that we might need to have a longer time scale than anticipated to allow our investments to stabilise.

Whilst there will undoubtedly be challenges ahead, we do not expect material concerns to arise over the charity's financial position.

Financial review

Results for the year

A summary for the results of the year ended 30 September 2020 can be found on page 34 of the accounts.

Total income for the year amounted to £653,224 (2019 – £731,116). Of the income £336,889 (2019 – £218,797) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £132,876 (2019 – £130,884) covenanted to the Charity. Investment income and interest receivable totalled £283,217 (2019 – £494,212).

Expenditure totalled £2,579,786 (2019 – £790,392). Donations payable include £2,123,205 (2019 – £380,975) made from the charitable donation fund including £2 million to OODIL CIO. Further details of donations payable in the year are given in note 4 of the accounts. Expenditure incurred on maintaining the members of the Community and supporting them in their pastoral work and ministry amounted to £377,951 (2019 – £351,111) and includes expenditure on governance of £26,944 (2019 – £25,053).

During the year to 30 September 2020, losses of £54,724 (2019 – gains of £334,538) arose on the Charity's listed investments reflecting the decrease in stock market indices. There were gains on investment properties of £115,000 (2019 – £Nil)

Net expenditure for the year and net movement in funds was £1,866,286 (2019 – net income of £275,262).

Investment performance

The Charity's listed investment portfolio generated an annual income yield of 1.93% (2019 – 2.87%) and a capital yield of minus 0.68% (2019 – plus 3.15%). Given the performance of world stock markets generally, the Trustees remain satisfied with the performance of the Charity's investments.

Financial review (continued)

Reserves policy and financial position

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the Charity's work, the level of free reserves should be approximately equal to two years' ongoing expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the Charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the exceptional circumstances created by the Covid-19 pandemic.

The balance sheet shows total funds of £18,096,282 (2019 – £19,962,568). Of these funds, £166,603 (2019 – £149,480) are restricted and are to be applied for specific purposes. £2,942,018 (2019 – £2,648,986) are represented by freehold properties and other tangible fixed assets and £250,000 (2019 – £541,098) by the Charity's programme related investments. A decision was made to separate these funds from the general fund in recognition of the fact that assets are used in the day to day work of the Charity or by organisations for charitable purposes in line with the Charity's objects, and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Funds totalling £13,709,402 (2019 – £15,710,449) have been designated, or set aside, by the Trustees for specific purposes. £5,000,000 (2019 – £4,823,000) has been set aside to meet the costs for the care and welfare of the sisters in their old age. The amount set aside has been calculated, using actuarial methods, to provide a modest sum towards the upkeep and care of the sisters in years to come.

Following the sale of the investment property comprising land at New Hall in October 2014, funds totalling approximately £12.5 million were set aside in a 'charitable donation fund' to be used to finance grants and donations including new charitable projects overseas. The balance on this fund at 30 September 2020 was £8,703,840 (2019 – £10,881,887). Further details about this fund are given in note 19 to the accounts.

Funds which are available to support the work of the sisters in the future are those shown on the balance sheet as the general fund and total £1,028,259 (2019 – £912,555). The Trustees believe that these free reserves are adequate but not excessive and consistent with the Charity's reserves policy outlined above. In particular, the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the Covid-19 pandemic.

Future plans

In the forthcoming year, it is our intention to meet the following particular objectives: However, given the uncertainties around Covid-19 and its impact, the following plans may need adapting. The safety of our members, especially the oldest ones, has to be our priority.

- ◆ To continue to be alert and active in meeting local needs in the three areas where the Community is resident, and then to sustain, support and develop these ministries, underpinned by further training as needed. However, increasing age profile, decreasing number of members, greater frailty will necessarily reduce the extent of our outreach.
- ◆ To continue to maintain live links with our sisters in Africa and to support them in whatever ways we are able in the year ahead
- ◆ To continue to engage people around us in reflective discussions on spiritual questions. For the coming year we have planned a programme called 'Reimagine' which offers group or individual reflective opportunities through different aspects of our post pandemic experiences.
- ◆ To continue work on our legacy going into the long-term future. This will involve the work done through Durham University on our archives, and also the creation of a possible new legacy charity .
- ◆ To continue to work towards the good stewardship of the monies we are receiving from the sale of our land both for the present and the future, paying due heed to the impact of the Covid-19 pandemic and its consequences, both socially and economically. This will specifically involve the establishment of a new Legacy CIO (to be called Elijah's Pot). Our aim is for the new Legacy CIO to be formalised and functioning before the end of the next reporting year. It will hold the bulk of the remaining land sale money.
- ◆ To ensure that we are able to adapt and provide well for the care and changing needs of the ageing Community.

Structure, governance and management

The Charity is a Charitable Incorporated Organisation (CIO) governed by a Constitution dated and agreed by the trustees on 15 June 2016 and registered with the Charity Commission on 27 June 2016.

Governance

In terms of Canon Law, the highest authority in the Community is the Conventual Chapter, which is made up of all the perpetually professed members of the Community. The Chapter elects a Prioress every 6 years and the Prioress is de facto a Trustee of the Charity. As is expected in the Community's Constitutions, Community members meet regularly as a full Chapter to reflect on the mission and to examine the life style and finances of the Community. Community members are involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

Structure, governance and management (continued) +

Governance (continued)

The Trustees take seriously the demands and challenges of the new GDPR regulations. This was a topic at the Bursars' Conference during the year and our Compliance Co-ordinator has made it his concern to follow through all the points from that Conference. We have updated both our policies and procedures appropriately and have contacted all our database connections to ask for their permission to hold information. This has been a lengthy and time-consuming operation but we are confident that we have taken all the necessary steps and are compliant.

In the last year some of the Trustees have continued to have regular meetings with three retired professionals who look at our business questions and think them through with us.

The Trustees have continued to take advantage of the training courses which are relevant and available to them, in order to best steward our resources to meet our aims and purposes. The Prioress attends the annual Conference for Religious and cascades to the Trustees any updates on business and operational matters which are relevant to our organisation. This year there was a particular focus on the procedures and principles necessary for the Protection of Children and Vulnerable Adults. The Prioress and Compliance Co-ordinator also attended a safeguarding training day run by the Diocese.

The Trustees have taken advice about how to gain the best service from our investment managers and as will be apparent later significant changes have been made to our panel of fund managers.

Organisational Management

In terms of Civil Law, the Trustees of the Charity are legally responsible for the overall management and accounting of the Charity and for safeguarding the assets of the Charity. They receive no remuneration or expenses for their service as Trustees. The Trustees meet once a month on average to review developments within the Charity, and to take decisions. The Trustees are supported by professional advisers, the most significant of these in daily management terms being our lay financial administrator. Other professionals, including investment managers, solicitors, auditors are consulted as appropriate.

Trustees have delegated responsibilities and try to keep updated within their areas on recommended best practice regarding appropriate policy requirements.

As Community members we are involved with many outside bodies – such as the Diocese of Brentwood, the Conference for Religious, the Provincial Bursars' Association and the International Association of the Regular Canonesses of the Holy Sepulchre - from whom we derive both support and updated guidance on best practice and policy.

As is expected in our Constitutions, we meet regularly as a full Chapter to reflect on our mission and to examine our life style and finances.

Structure, governance and management (continued)

Risk Management

The outbreak of the Covid-19 pandemic has clearly presented us with challenges and threats to the well-being of our charity and its activities which could not have been foreseen. The Trustees recognise their responsibility for the management of risks faced by the Charity, the Community and its individual members.

We continue to review and update our risks as well as the documents and procedures put in place the previous year under the guidance of our Compliance Co-ordinator. This process is deemed particularly important during the current Covid-19 pandemic.

We note above the financial and operational effects of Covid-19. Over and above these, the areas identified for particular attention within our risk management strategy are:

- ◆ Governance and management
- ◆ Maintenance and Health and Safety
- ◆ Financial
- ◆ Litigation
- ◆ Reputational

The Trustees have continued to operate within the key areas of risk controls which include:

- ◆ Regular and frequent meetings of the Trustees with formal agendas and minutes;
- ◆ Comprehensive strategic planning, budgeting and management accounting;
- ◆ Established organisational structures and lines of accountability;
- ◆ Regular meetings with professional advisors to whom all our business is transparent;
- ◆ Establishing a clear authorisation and approved levels of decision-taking and spending; and
- ◆ Putting in place vetting procedures required by law for the protection and safeguarding of the vulnerable.

Time-frames exist for the annual monitoring of the risk assessments.

Structure, governance and management (continued)

Risk Management (continued)

The key risks which faced the Charity during the year are as follows:

- ◆ An analysis of the age profile of the members of the Community shows that the average age in the Community at 30 September 2020 was in excess of 79 years. The Trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the Charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally the Charity works with children and vulnerable adults including older people. The Trustees recognise the absolute necessity of ensuring the protection and safety of all those that the Charity serves. This means that Sisters engaged in any ministry and all those who work or volunteer for the Charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The Trustees are committed fully to implementing the policies of the Catholic Safeguarding Advisory Service (CSAS).
- ◆ The Charity donates significant sums in support of the activities of overseas Religious Communities with which the Sisters are associated and to other organisations. Whether or not the funds are used here in Great Britain or overseas, the Trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The Charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the Trustees. The Trustees meet with the investment managers regularly and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the Charity's needs both now and in the future. During the current Covid-19 pandemic, we continue to communicate with our investment managers and, whilst there are concerns over the volatility in world stock markets, we acknowledge also that we are long term investors. As such, the charity will be able to wait for markets to stabilise over time whilst we, as Trustees, keep a watching brief.

As outlined on page 8 above, the Trustees have agreed to changes in investment managers and assets have begun to be transferred.

Structure, governance and management (continued)

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity of the incoming resources and application of resources of the Charity for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice 2015 FRS 102 (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

Key management personnel

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

Certain of the Trustees are members of the Community whose living and personal expenses are borne by the Charity. None of the Trustees receive any remuneration or reimbursement of expenses in connection with their duties as Trustees or key management personnel.

Signed on behalf of the Trustees:

Moira O'Sullivan

Approved by the Trustees on: 11 June 2021

Independent auditor's report to the trustees of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord

Opinion

We have audited the accounts of The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord (the 'Charity') for the year to 30 September 2020, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 30 September 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- ◆ the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

Use of our report

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

Amanda Francis
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

17 June 2021

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

Statement of financial activities Year to 30 September 2020

	Notes	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £	2019 Unrestricted funds £	2019 Restricted funds £	2019 Total funds £
Income from:							
Donations and legacies	1	261,659	75,230	336,889	138,157	80,640	218,797
Other trading activities							
. Fundraising events		12,850	—	12,850	651	1,840	2,491
Investments and interest receivable	2	283,217	—	283,217	494,212	—	494,212
Other sources							
. Miscellaneous income		15,264	—	15,264	15,616	—	15,616
. Surplus on disposal of tangible fixed assets		5,004	—	5,004	—	—	—
Total income		577,994	75,230	653,224	648,636	82,480	731,116
Expenditure on:							
Raising funds	3	77,907	—	77,907	58,306	—	58,306
Charitable activities							
. Grants, donations and support of missionary work and ministry	4	2,093,364	30,564	2,123,928	340,349	40,626	380,975
. Support of members of the Community and their ministry	5	350,261	27,690	377,951	317,237	33,874	351,111
Total expenditure		2,521,532	58,254	2,579,786	715,892	74,500	790,392
Net (expenditure) income before investment gains and transfers		(1,943,538)	16,976	(1,926,562)	(67,256)	7,980	(59,276)
Net investment (losses) gains on listed investments		(54,724)	—	(54,724)	334,538	—	334,538
Net investment gains on investment properties		115,000	—	115,000	—	—	—
Net (expenditure) income before transfers	8	(1,883,262)	16,976	(1,866,286)	267,282	7,980	275,262
Transfers between funds	22	(147)	147	—	(270)	270	—
Net (expenditure) income and net movement in funds		(1,883,409)	17,123	(1,866,286)	267,012	8,250	275,262
Reconciliation of funds:							
Total funds brought forward at 1 October 2019		19,813,088	149,480	19,962,568	19,546,076	141,230	19,687,306
Total funds carried forward at 30 September 2020		17,929,679	166,603	18,096,282	19,813,088	149,480	19,962,568

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

All of the Charity's activities derived from continuing activities in each of the above two financial years.

Balance sheet 30 September 2020

	Notes	2020 £	2020 £	2019 (As restated) £	2019 (As restated) £
Fixed assets					
Tangible assets	11		2,942,018		2,648,986
Investments	12		13,865,944		14,232,054
Programme related investments	13		250,000		250,000
			17,057,962		17,131,040
Current assets					
Programme related current investment		—		291,098	
Debtors	15	118,232		2,873,923	
Short term deposits		616,810		606,866	
Cash at bank and in hand		935,893		395,018	
		1,670,935		4,166,905	
Current liabilities					
Creditors: amounts falling due within one year	16	(632,615)		(1,335,377)	
Net current assets			1,038,320		2,831,528
Total net assets			18,096,282		19,962,568
The funds of the Charity:					
Unrestricted income funds					
. General fund			1,028,259		912,555
. Tangible fixed assets fund	17		2,942,018		2,648,986
. Programme related investments fund	18		250,000		541,098
. Designated funds	19		13,709,402		15,710,449
			17,929,679		19,813,088
Restricted funds	20		166,603		149,480
			18,096,282		19,962,568

Approved by the Trustees
and signed on their behalf by:

Moirá O'Sullivan

Trustee

Approved on: 11 June 2021

Statement of cash flows Year to 30 September 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(2,545,358)	(1,127,456)
Cash flows from investing activities:			
Investment income		288,370	355,394
Purchase of tangible fixed assets		(352,962)	(3,189)
Proceeds from the disposal of tangible fixed assets		10,200	—
Proceeds from the disposal of listed investments		3,597,290	978,719
Proceeds from the disposal of investment properties including interest		2,825,000	2,825,000
Investment in programme related investments		—	(291,098)
Cash invested in COIF Charities Fund deposit held as fixed asset investments		300,000	(1,041,795)
Purchase of investments		(3,242,293)	(1,801,170)
Net cash provided by investing activities		3,425,605	1,021,861
Change in cash and cash equivalents in the year		880,247	(105,595)
Cash and cash equivalents at 30 September 2019		1,383,183	1,488,778
Cash and cash equivalents at 30 September 2020	B	2,263,430	1,383,183

Notes to the statement of cash flows for the year to 30 September 2020

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

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	(1,866,286)	275,262
Adjustments for:		
Depreciation charge	54,734	51,969
Donation of property to OODIL CIO (note 23)	291,098	—
Losses (gains) on listed investments	54,724	(334,538)
Gains on investment properties	(115,000)	—
Surplus on disposal of tangible fixed assets	(5,004)	—
Investment income and interest receivable	(283,217)	(501,652)
Increase in debtors	2,202	3,584
Decrease in creditors	(678,609)	(622,081)
Net cash used in operating activities	(2,545,358)	(1,127,456)

B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	935,893	395,018
Short term deposits	616,810	606,866
Cash held by investment managers	710,727	381,299
Total cash and cash equivalents	2,263,430	1,383,183

Principal accounting policies 30 September 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 30 September 2020, with comparative information given in respect to the year to 30 September 2019.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

Critical accounting estimates and areas of judgement

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

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

- ◆ Assessing the probability of the receipt of legacy income;
- ◆ Determining a discount factor to calculate the future cash receipt (cash payment) for debtors (creditors) where discounting is material;
- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of determining the depreciation charge;
- ◆ Determining the apportionment of support costs between the various categories of expenditure;
- ◆ Determining the value of the designated funds needed at the year end and, in particular, estimating the size of the retirement reserve created in order to provide for the continuing care of the members of the Community for the remainder of their lives; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

Assessment of going concern (continued)

As most of the members of the Community are aged over 70, the Trustees have had to adhere to the stringent government advice issued on 23 March as a result of the Covid- 19 pandemic. This has meant that the Community's normal apostolic activities have had to find new shape or cease altogether. As groups could no longer gather, the Sisters have tried to find new ways of supporting their vulnerable neighbours whilst largely remaining in lockdown. They have used younger volunteers to do some of the active support whilst they have mobilised older volunteers to be alongside them in supporting people through regular phone contact and prayer. The Sisters have offered some material support where needed and are aware that this will be increasingly needed once the pandemic has ended.

Along with many other charities, the Trustees cannot at this stage imagine fully what the new needs will be and what position the Community will be in to respond to those needs.

The Charity's income will no doubt continue to be affected because of stock market volatility and corporate uncertainty. Whilst some expenditure items may increase due to price rises etc, others such as travel will fall. The Trustees will continue to keep both income and expenditure under review.

On a larger scale, the Trustees are having to look again at their timescale for spending the land sale money on projects. It may be that whilst remaining committed to chosen projects the Trustees need to find out from the stakeholders if those projects are still progressing and also flag up that they might need to have a longer time scale than anticipated to allow the charity's investments to stabilise.

During the current Covid-19 pandemic, the Trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the Trustees keep a watching brief.

Undoubtedly there will be challenges ahead but the Trustees do not expect material concerns to arise over the charity's financial position or going concern. The Trustees have concluded that the charity will have sufficient resources to meet its liabilities as they fall due.

Income

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

Income comprises donations, legacies, income from other trading activities i.e. fundraising events, investment income, interest receivable and income from other sources, including any surplus on disposal of tangible fixed assets.

Income (continued)

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

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably or the Charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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

Income from small scale fundraising events is accounted for when the Charity has confirmation of the amount due and receipt of the funds is probable. This will normally be on the date of the relevant fundraising event itself.

Investment income is recognised once the dividend or similar distribution has been declared and notification has been received of the amount due.

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

The unwinding of the discount factor in respect to monies receivable from the past sale of investment land is included within interest receivable and is accounted for on an accruals basis.

Income (continued)

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

All other income is recognised to the extent that it is probable that the economic benefits will flow to the Charity and the revenue can be measured reliably. It is measured at fair value and accounted for on an accruals basis.

Expenditure

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

The costs of raising funds include direct costs and overheads associated with managing investment property, managing listed investments, and organising small scale fundraising activities.

The costs of charitable activities comprise expenditure on the Charity's primary charitable purposes as described in the Trustees' report. Such costs include:

- ◆ Grants, donations and support of missionary work and ministry
Grants, donations and support of missionary work and ministry relates to the support of work overseas carried out by Communities of sisters with which the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is associated and the support of other charitable organisations with objectives consistent with those of the Charity.
- ◆ Grants, donations and support of missionary work and ministry (continued)
Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise both single year payments and multi-year grants. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants meeting this criteria but which are not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

The unwinding of the discount factor in respect to donations payable is included within grants, donations and support of missionary work and ministry and is described as a financing cost.

Expenditure (continued)

- ◆ Support of members of the Community and their ministry
This comprises expenditure incurred on the maintenance, living and personal expenses of members of the religious community.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs are the costs associated with the governance arrangements of the Charity including audit costs and the necessary legal procedures for compliance with statutory requirements.

The majority of expenditure on support and governance is allocated to the charitable activities of care of members of the Congregation and enabling their ministry, with a small proportion allocated to expenditure on raising funds and provision of donations and grants.

Tangible fixed assets

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

- ◆ Freehold land and buildings
 - ◇ Non-specialised property
Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and buildings are included in the accounts at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the Trustees, who are satisfied that their residual value is not materially less than their book value.
 - ◇ Specialised property
Specialised buildings comprise the Charity's large residential convent which is included in the account at cost. Depreciation is provided at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the Charity.
- ◆ Motor vehicles
Motor vehicles are capitalised and depreciated at rates of between 25% and 33.33% per annum on cost in order to write off each asset over its estimated useful life.
- ◆ Furniture and equipment
Furniture and equipment is capitalised and depreciated at 25% per annum on cost in order to write off each asset over its estimated useful life.

Fixed asset investments

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

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

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

Investment property, comprising land and buildings, is included in the accounts at open market value as at the year end date as determined by the Trustees after seeking appropriate professional advice (see note 11 to these accounts for further details).

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

Programme related investments

Programme related investments comprise a loan to another organisation to finance the purchase of land, in order to be used for purposes consistent with the Charity's objectives. The assets are stated at cost. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities. Further details are given in note 14 to the accounts.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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

Fund structure

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

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

The programme related investment fund represents the net book value of the Charity's programme related investments.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds represent monies raised for a specific purpose or monies subject to donor imposed restrictions.

Details of designated and restricted funds are given in the notes to the accounts.

Pension costs

The Charity offers its employees membership of a defined contribution pension scheme administered by Legal and General.

Employer's contributions in respect to defined contribution pension schemes are charged to the statement of financial activities in the year in which they are payable to the scheme.

Services provided by members of the Community

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

Notes to the accounts Year to 30 September 2020

1 Income from: Donations and legacies

	Year to 30 September 2020			Year to 30 September 2019		
	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	132,876	—	132,876	130,884	—	130,884
Voluntary income – Greenstead project	—	17,530	17,530	—	25,036	25,036
Voluntary income – Melbourne Project	—	22,537	22,537	—	18,062	18,062
Other donations and similar income	7,560	35,163	42,723	7,273	37,542	44,815
Legacies receivable	121,223	—	121,223	—	—	—
Total funds	261,659	75,230	336,889	138,157	80,640	218,797

2 Income from: Investments and interest receivable

	Year to 30 September 2020			Year to 30 September 2019		
	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Investment income						
. Unit trusts and common investment funds	21,433	—	21,433	74,624	—	74,624
. UK equities	103,967	—	103,967	127,708	—	127,708
. Overseas equities	44,432	—	44,432	66,496	—	66,496
. UK fixed interest	45,241	—	45,241	49,559	—	49,559
. Overseas fixed interest	7,653	—	7,653	2,578	—	2,578
	222,726	—	222,726	320,965	—	320,965
Unwinding of discount factor in respect to sale proceeds from sale of investment property (note 15)	—	—	—	121,651	—	121,651
Rental income from investment properties	32,841	—	32,841	31,766	—	31,766
Interest receivable	21,087	—	21,087	13,707	—	13,707
Income from programme related investments	6,563	—	6,563	6,563	—	6,563
Total funds	283,217	—	283,217	494,652	—	494,652

3 Expenditure on: Raising funds

	Year to 30 September 2020			Year to 30 September 2019		
	Unrestricted funds £	Restricted funds £	2019 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Rental property expenses	13,611	—	13,611	16,802	—	16,802
Investment management fees	50,189	—	50,189	40,304	—	40,304
Activities for generating funds	1,722	—	1,722	1,200	—	1,200
Allocation of support costs (note 6)	12,385	—	12,385	—	—	—
2020 Total funds	77,907	—	77,907	58,306	—	58,306

4 Expenditure on: Grants, donations and support of missionary work and ministry

	Year to 30 September 2020			Year to 30 September 2019		
	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Donation to New Hall School Trust (note 15)						
. Financing cost – unwinding of discount factor on donation committed	—	—	—	24,329	—	24,329
Support of missionary work and ministry						
. Grants in support of overseas missions	8,224	13,437	21,661	11,234	35,287	46,521
Donations of £1,000 or more to institutions						
. Art for Fun	1,000	—	1,000	1,000	—	1,000
. CAFOD	2,500	—	2,500	3,500	—	3,500
. CCII CSA	1,300	—	1,300	1,300	—	1,300
. The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO (note 23)	—	13,934	13,934	—	—	—
. Chelmsford Foodbank	—	—	—	10,000	—	10,000
. Dunkirk Mission	—	1,302	1,302	—	—	—
. Durham University	58,640	—	58,640	79,290	—	79,290
. Essex Community Foundation	—	—	—	189,000	—	189,000
. OODIL CIO (note 23)	2,000,000	—	2,000,000	—	—	—
. Pax Christi	—	—	—	3,000	—	3,000
	2,063,440	15,236	2,078,676	287,090	—	287,090
Other donations to institutions (less than £1,000 each)	5,467	—	5,467	5,522	—	5,522
Donations to individuals	762	1,891	2,653	12,174	5,339	17,513
Allocation to support costs (note 6)	15,471	—	15,471	—	—	—
Total funds	2,093,364	30,564	2,123,928	340,349	40,626	380,975

Donations to individuals include payments to 8 (2019: 19) individuals.

OODIL CIO was incorporated on 9 December 2019, Charity Registration Number 1186851. Its objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford and the town of Colchester. The Charity donated £2m to OODIL CIO to help establish the CIO and to enable it to fulfil its charitable objectives.

The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO (“the Cemetery CIO”) was incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £13,934 to the Cemetery CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest. The £13,934 was a restricted fund of monies given to the charity for the cemetery. In addition, the charity has donated a further £60,000 since the year end.

5 Expenditure on: Support of members of the Community and their ministry

	Year to 30 September 2020			Year to 30 September 2019		
	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Premises	94,218	—	94,218	117,035	—	117,035
Maintenance and upkeep of cemetery	73,389	—	73,389	—	—	—
Living and personal expenses	79,038	—	79,038	75,446	—	75,446
Retreats, spiritual direction, formation and other similar expenses	4,180	—	4,180	10,365	—	10,365
Melbourne Project	—	11,715	11,715	—	27,718	27,718
Greenstead Project	—	15,975	15,975	—	6,156	6,156
Allocation of support costs (note 6)	99,436	—	99,436	114,391	—	114,391
Total funds	350,261	27,690	377,951	317,237	33,874	351,111

6 Allocation of support costs

	Year to 30 September 2020				Year to 30 September 2019	
	Raising Funds £	Grants and donations £	Support of members and their ministries £	2020 Total funds £	Support of members and their ministries £	2019 Total funds £
Staff costs (8)	2,738	2,738	50,024	55,500	54,038	54,038
Other costs	843	843	15,409	17,095	21,592	21,592
Professional fees	2,055	6,491	19,157	27,703	13,708	13,708
Governance costs (note 7)	6,749	5,399	14,846	26,994	25,053	25,053
2020 Total funds	12,385	15,471	99,436	127,292	114,391	114,391

For the year ended 30 September 2020, the charity has allocated its support costs on a basis consistent with the use of resources. In prior years, all support costs were charged to support of members and their ministries.

7 Governance costs

	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Professional fees	26,994	—	26,994	25,053	—	25,053

8 Net (expenditure) income before transfers

This is stated after charging:

	2020 £	2019 £
Staff costs (note 8)	55,500	54,038
Depreciation	54,734	51,969
Auditor's remuneration (including VAT)		
. Statutory audit current year	23,094	18,000
. Statutory audit prior year	3,900	7,053

9 Staff costs, key management personnel and transactions with Trustees

Staff costs during the year was as follows:

	2020 £	2019 £
Wages and salaries	52,399	50,996
Social security costs	479	492
Other pension costs	2,622	2,550
	55,500	54,038

The number of employees during the year was as follows:

	2020 No.	2019 No.
Support of members of the Community and their ministry		
. Average	3.0	3.0
. Full time equivalent	1.6	1.6

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2019 – none).

The Trustees of the Charity comprise the Charity's key management personnel. They received no remuneration in connection with their duties as Trustees or their role as key management personnel during the year (2019 – none).

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees who are members of the Community to the Charity was £38,236 (2019 – £48,113).

10 Taxation

The Charity of the Regular Canonesses of the Order of the Holy Sepulchre of Our Lord is a registered Charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings		Furniture and equipment	Motor vehicles	2020 Total
	Specialised property	Non-specialised property	£	£	£
	£	£	£	£	£
Cost					
At 1 October 2019 – as previously stated	2,136,461	812,659	15,551	59,903	3,024,574
Prior year adjustment (note 13)	—	150,844	—	—	150,844
At 1 October 2019 – as previously stated	2,136,461	963,503	15,551	59,903	3,175,418
Additions	—	320,867	4,395	27,700	352,962
Disposals	—	—	—	(18,705)	(18,705)
At 30 September 2020	2,136,461	1,284,370	19,946	68,898	3,509,675
Depreciation					
At 1 October 2019	467,676	5,312	11,170	42,274	526,432
Charge for the year	42,729	—	293	11,712	54,734
Released on disposal	—	—	—	(13,509)	(13,509)
At 30 September 2020	510,405	5,312	11,463	40,477	567,657
Net book values					
At 30 September 2020	1,626,056	1,279,058	8,483	28,421	2,942,018
At 1 October 2019 - as restated	1,668,785	958,191	4,381	17,629	2,648,986

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

12 Fixed asset investments

	COIF Charities Fund	Investment properties	Listed investments	2020 Total	2019 Total
	£	£	£	£	£
Market values					
At 1 October 2019	—	1,055,000	11,753,960	12,808,960	11,635,293
Additions at cost	—	—	3,242,293	3,242,293	1,801,170
Disposals (see below)	—	—	(3,706,592)	(3,706,592)	(1,107,181)
Net unrealised investment gains (losses)	—	115,000	(46,239)	68,761	479,678
At 30 September 2020	—	1,170,000	11,243,422	12,413,422	12,808,960
COIF Charities deposit fund	741,795	—	—	741,795	1,041,795
Cash held by investment manager for reinvestment	3,157	—	707,570	710,727	381,299
Total investments at 30 September 2020	744,952	1,170,000	11,950,992	13,865,944	14,232,054
Cost of investments at 30 September 2020	—	294,258	9,999,541	10,293,799	10,012,271

12 Fixed asset investments (continued)

Disposals at book value included above are made up of the following:

	2020 £	2019 £
Proceeds	3,673,954	978,719
Losses	32,638	128,462
Disposals at book value	3,706,592	1,107,181

Investment properties

The investment property comprises four residential properties:

- ♦ A farmhouse, barn and adjoining land which was valued at £320,000 by the Trustees based on indicative market values but subject to life tenancy at a peppercorn rent, using information provided by Elwell Taylor, Chartered Surveyors on 11 November 2020. The Trustees believe there to have been no material change in valuation between 30 September 2020 and 11 November 2020.
- ♦ Three residential properties which were revalued on an open market value basis on 11 November 2020 by the Trustees based on indicative market values provided by Elwell Taylor, Chartered Surveyors. The market values of these properties were £850,000 as at that date. The Trustees believe there to have been no material change in valuation between 30 September 2020 and 11 November 2020.

Listed investments

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

At 30 September 2020, listed investments and cash held by investment managers for reinvestment included £434,244 (2019 – £661,853) representing amounts administered on behalf of individual members of the Community (note 15). Included within the net unrealised gains on investments for the period are net unrealised losses of £27,062 relating specifically to these investments (2019 – £19,820). Realised gains for the period relating specifically to these investments amounted to £2,909 (2019 – £3,142). The net losses of £24,153 are reflected in the amount due to individual members of the Community and hence they are not accounted for through the statement of financial activities.

Listed investments held at 30 September 2020 comprised the following:

	2020 £	2019 £
UK unit trusts and common investment funds	3,953,430	4,036,474
UK equities	3,316,021	3,343,615
UK fixed interest stocks	1,450,330	1,357,011
Overseas equities	2,046,942	2,870,828
Overseas fixed interest stocks	176,699	146,032
Cash instruments	300,000	—
	11,243,422	11,753,960

12 Fixed asset investments (continued)

At 30 September 2020, the following individual holding was deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	3,284,914	29.22

At 30 September 2019, the following individual holding was deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	2,744,159	23.35

13 Prior year adjustment

In the accounts for the year to 30 September 2019, the charity's programme related investments included a non-specialised residential property at a cost £150,844. This property is owned by the Charity and used to house a refugee family as part of the charity's objectives. This property was initially provided to the family by the Charity entering into an agreement with the Local Authority. In 2019, this arrangement changed and the property was let by the Charity directly to the refugee family. As a consequence, the Trustees believe that from that date it was more appropriate for the property to be classified as a tangible fixed asset and a prior year adjustment has been made in these accounts to reflect this view.

Within the statement of financial activities, rental income from the property has been reclassified as other income having previously been shown as part of investment income.

14 Programme related investments

At 30 September 2020, the Charity held investments which were held directly in pursuit of the organisation's charitable activities as follows:

	2020 £	2019 £ (as restated)
At 1 October 2019 – as previously stated	400,844	400,844
Prior year adjustment (note 13)	(150,844)	(150,844)
At 30 September 2020 – as restated	250,000	250,000

During the year to 30 September 2018, the Charity advanced a loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to assist in purchasing a property. This property will be used to provide shelter to young homeless adults, a purpose consistent with the Charity's objects. The loan is secured by a charge over the property and is subject to a fixed interest rate of 3.5% and is repayable by December 2027.

15 Debtors

	2020 £	2019 £
Debtor in respect to proceeds from the sale of investment property (see below)	—	2,825,000
Proceeds receivable on sale of investment	76,664	—
Investment income and interest receivable	26,106	31,259
Sundry debtors	5,835	5,737
Prepayments	9,627	11,927
	118,232	2,873,923

The sale of farm land surrounding New Hall School, Chelmsford, to a property developer (Countryside Zest (Beaulieu Park) LLP), was completed in October 2014. Under the terms of the contract, the Charity will receive a total sum of £16.85 million as consideration payable in six instalments. The sixth and final instalment of £2.85 million was received in October 2019.

Amounts due at the year end 30 September 2019 were secured by a legal charge over four pre-defined parts of the land. On receipt of each instalment, one of the defined parts of the land has been released from the legal charge. The disposal of the land is subject also to an overage clause which is effective for a period of ten years from the grant of planning permission on 7 March 2014. The overage clause will be triggered should the developer obtain alternative planning permission during the ten year period which results in an uplift in the market value of the land. Under the overage clause the Charity would, in these circumstances, be entitled to receive a percentage of the uplift in market value.

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Monies administered by the Charity on behalf of individual members of the religious Community	434,244	661,853
Donation payable to New Hall School Trust (see below)	—	565,000
Donations payable to missions (note 4)	86,074	65,790
Legacies payable in respect to a deceased sister	70,042	—
Expense and other creditors	42,255	42,734
	632,615	1,335,377

Monies administered by the Charity on behalf of individual members of the religious Community comprise listed investments of £434,244 (2019 – £661,853) (note 11).

As part of the agreement in respect to the disposal of farmland owned by the Charity and surrounding New Hall School, Chelmsford (see note 14), the Trustees undertook to donate 20% of the net proceeds from the sale of the land to New Hall School Trust, a registered charity (Charity Registration Number 1110286). The total donation payable is £3,290,088 and it is being paid to New Hall School Trust in six instalments over the period 2014 to 2019 inclusive. The final instalment was paid to New Hall School Trust within seven days of the Charity receiving monies from the purchaser of the land in October 2019.

17 Tangible fixed assets fund

	2020 £	2019 (as restated) £
At 1 October 2019 – as previously stated	2,498,142	2,546,922
Prior year adjustment (note 13)	150,844	150,844
At 1 October 2019 – as restated	2,648,986	2,697,766
Net movement in the year	293,032	(48,780)
At 30 September 2020	2,942,018	2,648,986

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

18 Programme related investment fund

	2020 £	2019 (as restated) £
At 1 October 2019 – as previously stated	691,942	400,844
Prior year adjustment (note 13)	(150,844)	(150,844)
At 1 October 2019 – as restated	541,098	250,000
Net movement in the year	(291,098)	291,098
At 30 September 2020	250,000	541,098

The programme related investment fund represents the value of the Charity's programme related investments both fixed and current assets. Their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

19 Designated funds

The income funds of the Charity included the following designated funds which have been set aside out of unrestricted funds by the Trustees for a specific purpose:

	At 1 October 2019 £	New designations £	Utilised/ released £	At 30 September 2020 £
Charitable donation fund	10,881,887	127,777	(2,305,824)	8,703,840
Sisters' retirement fund	4,823,000	177,000	—	5,000,000
Meet the Need fund	5,562	—	—	5,562
	15,710,449	304,777	(2,305,824)	13,709,402

19 Designated funds (continued)

	At 1 October 2018 £	New designations £	Utilised/ released £	At 30 September 2019 £
Charitable donation fund	10,834,103	361,123	(313,339)	10,881,887
Sisters' retirement fund	4,829,471	(6,471)	—	4,823,000
Meet the Need fund	10,562	—	(5,000)	5,562
	15,674,136	354,652	(318,339)	15,710,449

♦ Charitable donation fund

The charitable donation fund comprises assets set aside with the broad intention of using them to finance grants and donations to third parties both within the UK and overseas. At 30 September 2018 the fund was represented by the unspent proceeds receivable from investment land which was sold in October 2014. The proceeds from the sale of the land are being received in six instalments receivable between 2014 and 2019 and the monies invested to generate funds are being applied as grants and donations.

♦ Sisters' retirement fund

The Sisters' retirement fund represents monies set aside to make provision for the support of the Religious in their retirement and to support their ministries. The value of the fund has been calculated using actuarial methods, to provide a modest sum towards the upkeep and care of the Sisters' in years to come.

♦ Meet the Need fund

The fund represents donations received during Easter over several years and has been set aside by the trustees to finance youth bursaries.

20 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trusts to be applied for specific purposes.

	At 1 October 2019 £	Income £	Transfers £	Utilised/ released £	At 30 September 2020 £
Melbourne Project fund	45,443	23,767	50	(11,715)	57,545
Greenstead Project fund	35,622	17,530	35	(15,975)	37,212
Overseas Missions fund	39,787	10,245	17	(13,327)	36,722
Cemetery fund	14,557	1,500	14	(13,934)	2,137
Other restricted funds	14,071	22,188	31	(3,303)	32,987
	149,480	75,230	147	(58,254)	166,603

20 Restricted funds (continued)

	At 1 October 2018 £	Income £	Transfers £	Utilised/ released £	At 30 September 2019 £
Melbourne Project fund	53,151	19,902	108	(27,718)	45,443
Greenstead Project fund	16,688	25,036	54	(6,156)	35,622
Overseas Missions fund	58,362	12,382	80	(31,037)	39,787
Cemetery fund	13,029	1,500	28	—	14,557
Other restricted funds	—	23,660	—	(9,589)	14,071
	<u>141,230</u>	<u>82,480</u>	<u>270</u>	<u>(74,500)</u>	<u>149,480</u>

The Melbourne Project fund and the Greenstead Project fund comprises monies received specifically for the support of community-led activities in Melbourne (Chelmsford) and Colchester respectively.

The Overseas Missions fund comprises monies received specifically for the support of the members of the Community and their missionary work in Africa.

The Cemetery fund comprises monies received specifically for the upkeep and maintenance of the cemetery and to fund funeral expenses.

Other restricted funds comprise monies received for several specific purposes.

21 Analysis of net assets between funds

Fund balances at 30 September 2020 are represented by:

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2020 £
Tangible fixed assets	—	2,942,018	—	—	—	2,942,018
Investments	97,902	—	250,000	13,768,042	—	14,115,944
Net current assets	930,357	—	—	(58,640)	166,603	1,038,320
Total net assets	1,028,259	2,942,018	250,000	13,709,402	166,603	18,096,282

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2019 £
As restated (note 13)						
Tangible fixed assets	—	2,648,986	—	—	—	2,648,986
Investments	1,020,413	—	250,000	13,211,641	—	14,482,054
Net current assets	(107,858)	—	291,098	2,498,808	149,480	2,831,528
Total net assets	912,555	2,648,986	541,098	15,710,449	149,480	19,962,568

21 Analysis of net assets between funds (continued)

The total unrealised gains as at 30 September 2020, constituted movements on revaluation and were as follows:

	2020 £	2019 £
Total unrealised gains included above:		
On listed investments	1,243,881	2,035,947
On investment properties	875,742	760,742
	2,119,623	2,796,689
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 October 2019	2,796,689	2,457,685
On disposal of investments	(745,827)	(140,674)
Net gains arising on revaluation in the year	68,761	479,678
Total unrealised gains at 30 September 2020	2,119,623	2,796,689

22 Ultimate control

The Charity, which is constituted as a CIO, was controlled throughout the year by the Regular Canonesses of the Holy Sepulchre of Our Lord in England (the Community) by virtue of the fact that the Conventual Chapter appoints the named Trustees. The Community does not hold any assets, incur liabilities or enter into any transactions in its own right.

23 Related party transactions

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant. During the year, the total amount donated by the Trustees who were members of the Community to the Charity was £38,236 (2019 – £48,113).

Sister Moira O'Sullivan, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, OODIL CIO incorporated on 9 December 2019 Charity registration Number 1186851. OODIL's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford, the town of Colchester. The Charity donated £2million to OODIL CIO to help enable it to fulfil its charitable objectives (note 4).

Sister Margaret Mary Horton, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO, incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £13,934 to The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest (note 4).

During the year, the husband of Mrs Sheila Alder, a trustee of the Charity appointed on 22 March 2020), provided consultancy services to the Charity in return for fees totalling £10,276. £nil was outstanding in respect to these services at the year end.

There were no other related party transactions requiring disclosure (2019 - £nil).

24 Post balance sheet events

Since the year end, the charity has purchased two residential properties for an aggregate cost of £563,059. It has also disposed of a property that was held at the year end for gross proceeds of £225,000. This property had a net book value of £150,844 at 30 September 2020.