

**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

Trustees' report Year to 30 September 2020

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.



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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 our 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)

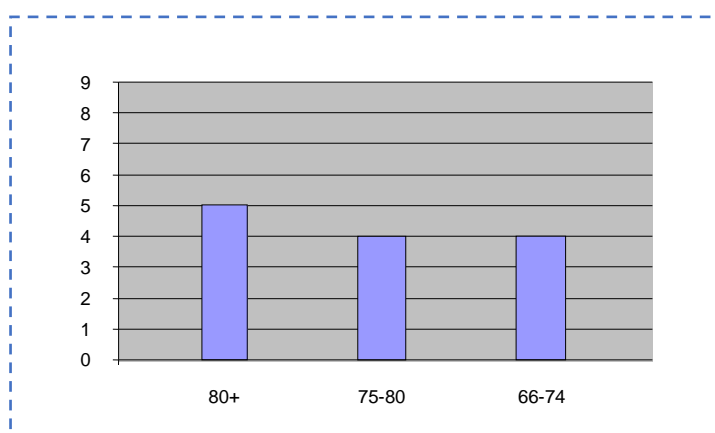
Establishing our two new CIOs (continued)

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:

Maira 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
	<u>15,674,136</u>	<u>354,652</u>	<u>(318,339)</u>	<u>15,710,449</u>

♦ 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
	<u>149,480</u>	<u>75,230</u>	<u>147</u>	<u>(58,254)</u>	<u>166,603</u>

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
	141,230	82,480	270	(74,500)	149,480

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.