

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

Annual Report and Accounts

30 September 2022

Charity Registration Number
1167869

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

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

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

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

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

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

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

Objects, aims, objectives, activities and relevant policies

Charitable objects and aims

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

Within these charitable objects, the Charity has sought:

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

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

Principal activities during the year

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

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

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

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

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

Volunteers

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

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

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

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

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

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

Volunteers (continued)

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

Protection of Children and Vulnerable Adults

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

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

Public benefit

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

Fundraising policy

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

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

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

Investment policy

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

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

Investment policy (continued)

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

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

Grants, donations and support of missionary work and ministry

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

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

Social and pastoral work of the Community

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

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

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

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

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

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

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

Social and pastoral work of the Community (continued)

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

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

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

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

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

1. Meeting local needs:

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

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



Homework Clubs also engage local sixth form students as helpers.

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



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

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

Social and pastoral work of the Community (continued)

1. Meeting local needs: (continued)

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

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

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



Some of the Jubilee moments - building and sustaining community

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

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

Social and pastoral work of the Community (continued)

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

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

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



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

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



One of many happy gatherings

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

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

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

Social and pastoral work of the Community (continued)

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

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



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

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

During Advent and Lent there were reflective Zooms each week.

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



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

Social and pastoral work of the Community (continued)

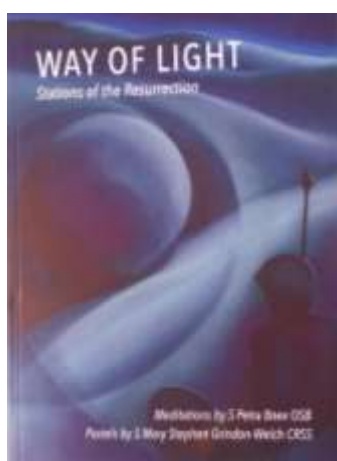
3. *Finding opportunities to engage in reflection and discussion on spiritual questions (continued)*

This is the response from one of the participants:

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

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

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



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

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

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

Social and pastoral work of the Community (continued)

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



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



4. *Work on our legacy*

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



Dr Begadon and Dr Kelly at New Hall.

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

Social and pastoral work of the Community (continued)

4. *Work on our legacy* (continued)

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

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



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

5. *Good stewardship of land sale monies*

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

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

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

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

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

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

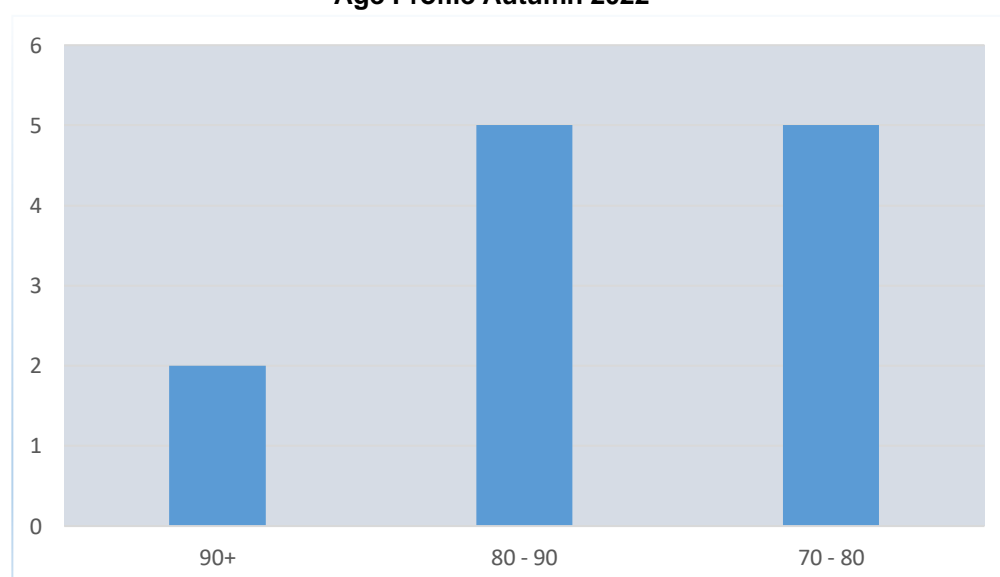
Objects, aims, objectives, activities and relevant policies (continued)

Social and pastoral work of the Community (continued)

6. Care for our own Community members

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

Age Profile Autumn 2022



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

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

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

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

Social and pastoral work of the Community (continued)

6. Care for our own Community members (continued)

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

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

Covid-19 and the war in Ukraine

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

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

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

Financial review

Results for the year

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

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

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

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

Financial review (continued)

Investment performance

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

Reserves policy and financial position

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

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

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

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

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

Future plans for the Charity and the Community

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

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

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

Structure, governance and management

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

Members of the CIO and limitation of liability

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

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

Trustees

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

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

Structure, governance and management (continued)

Governance

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

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

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

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

Organisational Management

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

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

Risk Management

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

Structure, governance and management (continued)

Risk Management (continued)

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

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

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

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

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

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

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

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

Structure, governance and management (continued)

Risk Management (continued)

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

Statement of Trustees' responsibilities

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

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

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

Statement of Trustees' responsibilities (continued)

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

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

Key management personnel

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

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

Signed on behalf of the Trustees:

Maira O'Sullivan

Approved by the Trustees on: 13/4/23

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

Opinion

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

In our opinion, the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

5 May 2023

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

Statement of financial activities Year to 30 September 2022

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

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

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

Balance sheet 30 September 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		4,004,089		4,026,039
Investments	12		12,160,323		13,964,318
Programme related investments	13		250,000		250,000
			16,414,412		18,240,357
Current assets					
Debtors	14	47,354		28,479	
Short term deposits		—		365,956	
Cash at bank and in hand		2,266,577		1,400,724	
		2,313,931		1,795,159	
Current liabilities					
Creditors: amounts falling due within one year	15	(4,795,283)		(522,916)	
Net current (liabilities) assets			(2,481,352)		1,272,243
Total net assets			13,933,060		19,512,600
The funds of the Charity:					
Unrestricted income funds					
. General fund			545,741		1,268,925
. Tangible fixed assets fund	16		3,101,027		3,134,773
. Programme related investments fund	17		250,000		250,000
. Designated funds	18		9,900,180		14,705,153
			13,796,948		19,358,851
Restricted funds	19		136,112		153,749
			13,933,060		19,512,600

Approved by the Trustees
and signed on their behalf by:

Maira O'Sullivan

Trustee

Approved on: 13/4/23

Statement of cash flows Year to 30 September 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(601,710)	(434,680)
Cash flows from investing activities:			
Investment income		176,068	212,270
Purchase of tangible fixed assets		(34,696)	(1,465,664)
Proceeds from the disposal of tangible fixed assets and artefacts		40,418	221,178
Proceeds from the disposal of listed investments		1,718,569	10,081,745
Cash withdrawn from COIF Charities Fund deposit held as fixed asset investments		333,344	408,451
Purchase of investments		(1,081,084)	(9,490,986)
Net cash provided by (used in) investing activities		1,152,619	(33,006)
Change in cash and cash equivalents in the year		550,909	(467,686)
Cash and cash equivalents at 30 September 2021		1,795,744	2,263,430
Cash and cash equivalents at 30 September 2022	B	2,346,653	1,795,744

Notes to the statement of cash flows for the year to 30 September 2022

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

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(5,579,540)	1,416,318
Adjustments for:		
Depreciation charge	52,805	62,756
Donation of property to OODIL CIO (note 22)	—	300,000
Losses (gains) on listed investments	863,596	(1,651,437)
Surplus on disposal of tangible fixed assets and artefacts	(47,437)	(202,291)
Investment income and interest receivable	(163,718)	(196,906)
Increase in debtors	(20,365)	(2,275)
Increase (decrease) in creditors	4,292,949	(160,845)
Net cash used in operating activities	(601,710)	(434,680)

B Analysis of cash and cash equivalents

	At 1 October 2021	Cash flows	At 30 September 2022
Cash at bank and in hand	1,400,724	865,853	2,266,577
Short term deposits	365,956	(365,956)	—
Cash held by investment managers	29,064	51,012	80,076
Total cash and cash equivalents	1,795,744	550,909	2,346,653

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

Principal accounting policies 30 September 2022

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

Basis of preparation

These accounts have been prepared for the year to 30 September 2022, with comparative information given in respect to the year to 30 September 2021.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

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

Assessment of going concern

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

The trustees acknowledge and recognise the residual impact of the Covid-19 pandemic on the Charity and the impact of the current macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income.

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

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

Income

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

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

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

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

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

Income (continued)

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

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

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

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

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

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

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

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

Expenditure

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

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

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

Expenditure (continued)

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

◆ Grants, donations and support of missionary work and ministry

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

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

◆ Support of members of the Community and their ministry

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

Support and governance costs

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

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

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

Tangible fixed assets

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

- ◆ Land and buildings

- ◇ Non-specialised property

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

- ◇ Specialised property

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

- ◆ Motor vehicles

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

- ◆ Furniture, fittings, equipment and computers

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

Fixed asset investments

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

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

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

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

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

Programme related investments

Programme related investments comprise a loan to another organisation to finance the purchase of land, in order to be used for purposes consistent with the Charity's objectives. The assets are stated at cost. Any gain or loss arising from disposal or any loss arising from impairment is credited or charged to the statement of financial activities. Further details are given in note 14 to the accounts.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

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

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

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

Pension costs

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

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

Services provided by members of the Community

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

1 Income from: Donations and legacies

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	120,183	—	120,183	120,653	—	120,653
Voluntary income – Greenstead project	—	1,445	1,445	—	625	625
Voluntary income – Melbourne Project	—	7,778	7,778	—	5,793	5,793
Other donations and similar income	5,858	10,345	16,203	6,885	10,242	17,127
Legacies receivable	—	—	—	1,000	—	1,000
	126,041	19,568	145,609	128,538	16,660	145,198

2 Income from: Investments and interest receivable

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Investment income						
. Unit trusts and common investment funds	97,327	—	97,327	34,171	—	34,171
. UK equities	5,801	—	5,801	59,978	—	59,978
. Overseas equities	12,182	—	12,182	26,541	—	26,541
. UK fixed interest	—	—	—	24,649	—	24,649
. Overseas fixed interest	—	—	—	2,567	—	2,567
. Alternative	1,091	—	1,091	5,341	—	5,341
	116,401	—	116,401	153,247	—	153,247
Rental income from investment properties	35,659	—	35,659	29,341	—	29,341
Interest receivable	2,908	—	2,908	5,568	—	5,568
Income from programme related investments	8,750	—	8,750	8,750	—	8,750
	163,718	—	163,718	196,906	—	196,906

3 Expenditure on: Raising funds

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Rental property expenses	5,781	—	5,781	7,375	—	7,375
Investment management fees	17,954	—	17,954	31,494	—	31,494
Activities for generating funds	1,062	—	1,062	1,158	—	1,158
Allocation of support costs (note 6)	15,170	—	15,170	15,861	—	15,861
	39,967	—	39,967	55,888	—	55,888

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

	2022			2021		
	Un-restricted funds £	Restricted funds £	Total funds £	Un-restricted funds £	Restricted funds £	Total funds £
Support of missionary work and ministry						
. Grants in support of overseas missions	38,232	23,260	61,492	22,039	23,869	45,908
Donations of £1,000 or more to institutions						
. CAFOD	12,500	—	12,500	4,500	—	4,500
. Sanctus	—	—	—	2,131	—	2,131
. The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO (note 22)	1,100	—	1,100	63,578	2,137	65,715
. Durham University	64,165	—	64,165	—	—	—
. Elijah's Pot CIO	4,588,375	—	4,588,375	—	—	—
. OODIL CIO (note 22)	—	2,000	2,000	300,000	—	300,000
	4,666,140	2,000	4,668,140	370,209	2,137	372,346
Other donations to institutions	3,972	300	4,272	4,771	—	4,771
Refund of an unused donation given to Essex Community Foundation in 2016	(21,711)	—	(21,711)	—	—	—
Donations to individuals	140	—	140	96	—	96
Allocation to support costs (note 6)	18,498	—	18,498	15,782	—	15,782
	4,705,271	25,560	4,730,831	412,897	26,006	438,903

Donations to individuals include payments to 4 (2021 – 3) individuals.

OODIL CIO was incorporated on 9 December 2019, Charity Registration Number 1186851. 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. During the year, the Charity donated cash of £2,000 to OODIL CIO (2021 – a property valued at £300,000 was donated to help establish the CIO and to enable it to fulfil its charitable objectives).

The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO ("the Cemetery CIO") was incorporated on 26 May 2020, Charity Registration Number 1189656. During the year, the Charity donated £1,100 to the Cemetery CIO. In 2021 the Charity donated £65,715 to the Cemetery CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest.

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

Durham University

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

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

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Premises	64,026	—	64,026	59,289	—	59,289
Depreciation	52,805	—	52,805	62,756	—	62,756
Living and personal expenses	62,759	—	62,759	58,622	—	58,622
Healthcare costs	29,077	—	29,077	5,846	—	5,846
Retreats, spiritual direction, formation and other similar expenses	3,062	—	3,062	3,618	—	3,618
Melbourne Project	—	10,828	10,828	—	2,860	2,860
Greenstead Project	—	817	817	—	648	648
Allocation of support costs (note 6)	113,141	—	113,141	118,388	—	118,388
	324,870	11,645	336,515	308,519	3,508	312,027

6 Support costs

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

	2021			
	Raising Funds £	Grants and donations £	Support of members and their ministries £	Total funds £
Staff costs (note 9)	3,562	3,562	65,054	72,178
Other costs	1,254	1,254	22,900	25,408
Professional fees	5,774	6,749	18,838	31,361
Governance costs (note 7)	5,271	4,217	11,596	21,084
	15,861	15,782	118,388	150,031

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

7 Governance costs

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Professional fees	22,800	—	22,800	21,084	—	21,084

8 Net (expenditure) income and net movement in funds

This is stated after charging:

	2022 £	2021 £
Staff costs (note 9)	75,399	72,178
Depreciation	52,805	62,756
Auditor's remuneration (including VAT)		
. Statutory audit current year	19,200	19,200
. Statutory audit prior year	3,600	1,356
. Other services	—	528

9 Staff costs, key management personnel and transactions with Trustees

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	70,442	67,678
Social security costs	1,435	1,116
Other pension costs	3,522	3,384
	75,399	72,178

The number of employees during the year was as follows:

	2022 No.	2021 No.
Support of members of the Community and their ministry		
. Average	3.0	3.0
. Full time equivalent	1.6	1.6

No employee earned £60,000 per annum or more (including taxable benefits) during the year (2021 – none).

The Trustees of the Charity comprise the Charity's key management personnel. They received no remuneration in connection with their duties as Trustees or their role as key management personnel during the year (2021 – none).

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the Trustees who are members of the Community to the Charity was £33,154 (2021 – £31,421).

Two trustees had expenses of £253 (2021 - £nil) reimbursed to them for travel.

10 Taxation

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

11 Tangible fixed assets

	Freehold land and buildings		Furniture, fittings, equipment & computers	Motor vehicles	2022 Total
	Specialised property £	Non- specialised property £	£	£	£
Cost					
At 1 October 2021	3,027,727	1,529,282	30,545	68,898	4,656,452
Additions	11,796	500	—	22,400	34,696
Disposals	—	—	—	(18,890)	(18,890)
At 30 September 2022	<u>3,039,523</u>	<u>1,529,782</u>	<u>30,545</u>	<u>72,408</u>	<u>4,672,258</u>
Depreciation					
At 1 October 2021	553,134	5,312	18,549	53,418	630,413
Charge for the year	42,729	—	4,624	5,452	52,805
Released on disposal	—	—	—	(15,049)	(15,049)
At 30 September 2022	<u>595,863</u>	<u>5,312</u>	<u>23,173</u>	<u>43,821</u>	<u>668,169</u>
Net book values					
At 30 September 2022	<u>2,443,660</u>	<u>1,524,470</u>	<u>7,372</u>	<u>28,587</u>	<u>4,004,089</u>
At 30 September 2021	<u>2,474,593</u>	<u>1,523,970</u>	<u>11,996</u>	<u>15,480</u>	<u>4,026,039</u>

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

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

12 Fixed asset investments

	Investment properties £	Listed investments £	2022 Total £	2021 Total £
Market values				
At 1 October 2021	1,170,000	12,431,910	13,601,910	12,413,422
Additions at cost	—	1,081,084	1,081,084	9,490,986
Disposals (see below)	—	(1,866,223)	(1,866,223)	(9,052,069)
Net unrealised investment (losses) gains	—	(736,524)	(736,524)	749,571
At 30 September 2022	<u>1,170,000</u>	<u>10,910,247</u>	<u>12,080,247</u>	13,601,910
COIF Charities deposit fund	—	—	—	333,344
Cash held by investment manager for reinvestment	—	80,076	80,076	29,064
Total investments at 30 September 2022	<u>1,170,000</u>	<u>10,990,323</u>	<u>12,160,323</u>	13,964,318
Cost of investments at 30 September 2022	<u>294,258</u>	<u>10,425,363</u>	<u>10,719,621</u>	11,435,188

12 Fixed asset investments (continued)

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

	2022 £	2021 £
Proceeds	1,718,569	10,005,081
Realised losses (gains)	147,654	(953,012)
Disposals at book value	1,866,223	9,052,069

Investment properties

The investment property comprises four residential properties:

- ♦ A farmhouse, barn and adjoining land which was valued at £320,000 by the Trustees based on indicative market values but subject to life tenancy at a peppercorn rent, using information provided by Elwell Taylor, Chartered Surveyors on 11 November 2020. The Trustees believe there to have been no material change in valuation between 11 November 2020 and 30 September 2022.
- ♦ Three residential properties which were revalued on an open market value basis on 11 November 2020 by the Trustees based on indicative market values provided by Elwell Taylor, Chartered Surveyors. The market values of these properties were £850,000 as at that date. The Trustees believe there to have been no material change in valuation between 11 November 2020 and 30 September 2022.

Listed investments

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

At 30 September 2022, listed investments and cash held by investment managers for reinvestment included £177,911 (2021 – £484,679) representing amounts administered on behalf of individual members of the Community (note 15). Included within the net losses on investments for the period are net losses of £20,582 relating specifically to these investments (2021 – net gains of £51,146). The net losses (2021 – gains) are reflected in the amount due to individual members of the Community and hence they are not accounted for through the statement of financial activities.

Listed investments held at 30 September 2022 comprised the following:

	2022 £	2021 £
UK unit trusts and common investment funds	9,132,600	10,426,413
UK equities	135,493	355,787
Overseas equities	1,252,547	1,422,662
Alternatives and commodities	389,607	227,048
	10,910,247	12,431,910

12 Fixed asset investments (continued)

Listed investments (continued)

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

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

At 30 September 2021, the following individual holdings were deemed material in comparison with the market value of the entire listed portfolio held at that date:

	Market value £	Percentage of total portfolio %
COIF Charities Ethical Investment Fund Accumulation Units	6,370,723	51.2
Sarasin Climate Active Endowments Fund Class A Inc	4,055,690	32.6

13 Programme related investments

At 30 September 2022, the Charity held investments which were held directly in pursuit of the organisation's charitable activities as follows:

	2022 £	2021 £
At 1 October 2021 and 30 September 2022	250,000	250,000

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

As noted in the trustees' report, the Trustees decided in January 2023 to change the loan into a gift and measures are underway to put the legal steps in place to enable this.

14 Debtors

	2022 £	2021 £
Proceeds receivable from sale of tangible fixed assets	10,860	—
Investment income and interest receivable	17,650	9,662
Sundry debtors	2,708	4,030
Prepayments	16,136	14,787
	47,354	28,479

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Monies administered by the Charity on behalf of individual members of the religious Community	177,911	485,393
Expense creditors	34,797	17,321
Other taxes and social security costs	—	1,002
Donations payable (note 4)	4,563,375	—
Expense and other creditors	19,200	19,200
	4,795,283	522,916

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

16 Tangible fixed assets fund

	2022 £	2021 £
At 1 October 2021	3,134,773	2,942,018
Net movement in the year	(33,746)	192,755
At 30 September 2022	3,101,027	3,134,773

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

17 Programme related investment fund

	2022 £	2021 £
At 1 October 2021 and 30 September 2022	250,000	250,000

The programme related investment fund represents the value of the Charity's programme related investments both fixed and current assets. Their value should not be regarded as realisable with ease in order to meet future contingencies and/or obligations.

18 Designated funds

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

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

18 Designated funds (continued)

	At 1 October 2020 £	New designations £	Utilised/ released £	At 30 September 2021 £
Charitable donation fund	8,703,840	1,250,793	(1,555,042)	8,399,591
Gateway of Hope fund	—	1,300,000	—	1,300,000
Sisters' retirement fund	5,000,000	—	—	5,000,000
Meet the Need fund	5,562	—	—	5,562
	<u>13,709,402</u>	<u>2,550,793</u>	<u>(1,555,042)</u>	<u>14,705,153</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. This fund was set up with the unspent proceeds receivable from investment land which was sold in October 2014. The monies were invested to generate funds and are being applied as grants and donations.

♦ Gateway of Hope fund

The Trustees have set aside £950k to fund a project to provide housing for women in the criminal justice system. Part of the funds have been used to purchase a property which, following the granting of planning permission for change of use, may be used for this purpose.

♦ Sisters' retirement fund

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

♦ Meet the Need fund

The fund represents donations received during Easter over several years and has been set aside by the trustees to finance youth bursaries.

19 Restricted funds

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

	At 1 October 2021 £	Income £	Utilised/ released £	Transfers £	At 30 September 2022 £
Melbourne Project fund	60,478	7,778	(10,828)	—	57,428
Greenstead Project fund	37,189	1,445	(817)	—	37,817
Overseas Missions fund	36,766	7,105	(23,260)	—	20,611
Other restricted funds	19,316	3,240	(2,300)	—	20,256
	<u>153,749</u>	<u>19,568</u>	<u>(37,205)</u>	<u>—</u>	<u>136,112</u>

19 Restricted funds (continued)

	At 1 October 2020 £	Income £	Utilised/ released £	Transfers £	At 30 September 2021 £
Melbourne Project fund	57,545	5,793	(2,860)	—	60,478
Greenstead Project fund	37,212	625	(648)	—	37,189
Overseas Missions fund	36,722	44	—	—	36,766
Cemetery fund	2,137	—	(2,137)	—	—
Other restricted funds	32,987	10,198	(23,869)	—	19,316
	166,603	16,660	(29,514)	—	153,749

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

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

The Cemetery fund comprises monies received specifically for the upkeep and maintenance of the cemetery and to fund funeral expenses.

Other restricted funds comprise monies received for several specific purposes.

20 Analysis of net assets between funds

Fund balances at 30 September are represented by:

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

	General fund £	Tangible fixed assets fund £	Programme related investments fund £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	—	3,134,773	—	891,266	—	4,026,039
Investments	1,655,393	—	250,000	12,308,925	—	14,214,318
Net current (liabilities) assets	(386,468)	—	—	1,504,962	153,749	1,272,243
Total net assets	1,268,925	3,134,773	250,000	14,705,153	153,749	19,512,600

20 Analysis of net assets between funds (continued)

The total unrealised gains as at 30 September 2022, constituted movements on revaluation and were as follows:

	2022 £	2021 £
Total unrealised gains included above:		
On listed investments	484,884	1,290,980
On investment properties	875,742	875,742
	1,360,626	2,166,722
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 October 2021	2,166,722	2,119,623
On disposal of investments	(69,572)	(702,472)
Net gains arising on revaluation in the year	(736,524)	749,571
Total unrealised gains at 30 September 2022	1,360,626	2,166,722

21 Members of the CIO and limitation of liability

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

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

22 Related party transactions

As members of the Community, certain of the Trustees have no resources of their own as all earnings, pensions and other income have been donated to the Charity under a Deed of Covenant. During the year, the total amount donated by the Trustees who were members of the Community to the Charity was £33,154 (2021 – £31,421).

In 2021, two trustees who are not members of the Community donated £100 each to the Charity.

Sister Moira O'Sullivan, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, OODIL CIO incorporated on 9 December 2019 Charity Registration Number 1186851. OODIL's objects are to provide and manage housing and give assistance to help house people and to provide associated facilities, amenities and services related to such housing for people in necessitous circumstances, people in financial need or for the relief of older, disabled (whether physically or mentally) or chronically sick people in the city of Chelmsford, the town of Colchester. During the year the Charity made a donation of £2,000 to OODIL CIO from a restricted donation received by the Charity (2021: the Charity donated a property valued at £300,000 (note 4).

Sister Moira O'Sullivan is also a Trustee of a Charitable Incorporated Organisation, Elijah's Pot CIO incorporated on 6 September 2021 Charity Registration Number 1195718. Elijah's Pot CIO is a grant-making charity that supports those that are disadvantaged, oppressed or discriminated against in the UK and elsewhere. During the year the Charity made a donation of £4,588,375 to Elijah's Pot (2021: £nil) (note 4). £25,000 was paid in the year and the balance of £4,563,375 is included within creditors and was paid on 1 October 2022.

22 Related party transactions (continued)

Sister Margaret Mary Horton, a trustee of the Charity is also a Trustee of a Charitable Incorporated Organisation, The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO, incorporated on 26 May 2020, Charity Registration Number 1189656. The Charity donated £1,100 (2021 – £65,715) to The Charity of the Cemetery of the Canonesses of the Holy Sepulchre CIO to help enable it to fulfil its charitable objectives of maintaining the Cemetery where the Community members are laid to rest (note 4).

During the year, the husband of Mrs Sheila Alder, a trustee of the Charity, provided consultancy services to the Charity in return for fees totalling £14,400 (2021 – £13,600). In addition, he was reimbursed £251 (2021 – £847) for out of pocket expenses. £nil was outstanding in respect to these services at 30 September 2022 (2021 – £nil).

There were no other related party transactions requiring disclosure (2021 – £nil).

23 Post balance sheet events

Since the year end the Charity has disposed of one of its non-specialised properties included in the accounts at cost at £286,000 for £489,000 net of costs.

As noted in the trustees' report and note 13, the Trustees decided in January 2023 to convert to a gift the loan of £250,000 to Colchester Korban Project (Charity Registration Number: 1125617) to assist in purchasing a property. Measures are underway to put the legal steps in place to enable this.