

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH
CIO**

(Registered Charity Number 1171001)

TRUSTEES' REPORT AND ACCOUNTS

31 DECEMBER 2023

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

REFERENCES AND ADMINISTRATIVE DETAILS

TRUSTEES

Sister Paula Marie Spark
Sister Sheila Mary Barrett (Resigned April 2024)
Sister Annette Lawrence
Sister Sheila Josephine Moloney
Sister Felicé Anne Bowker Wright (Resigned April 2024)
Mrs Hilary Gal (Appointed 4 June 2023)
Mr Marc Stas (Appointed 4 June 2023)

REGIONAL CO-ORDINATOR

Sister Paula Marie Spark

REGIONAL BURSAR

Sister Annette Lawrence

LAY BURSAR

Mrs Julia Lau

PRINCIPAL ADDRESS

The Convent
Daughters of Mary and Joseph
Layhams Road
West Wickham
Kent BR4 9QJ

GOVERNING INSTRUMENT

CIO Foundation registered 5 January 2017

CHARITY REGISTRATION NO.

1171001

NAMED CORRESPONDENT

Sister Annette Lawrence
The Convent
Daughters of Mary and Joseph
Layhams Road
West Wickham
Kent, BR4 9QJ

AUDITORS

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

PRINCIPAL BANKER

The Royal Bank of Scotland
P.O. Box 412
62/63 Threadneedle Street
London EC2R 8LA

SOLICITORS

Stone King LLP
13 Queen Square
BATH
BA1 2HJ

INVESTMENT MANAGER

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

INVESTMENT POWERS

There are no limitations on the Charity's power of investment.

THE ENGLISH REGION OF THE DAUGHTERS OF MARY AND JOSEPH CIO

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are pleased to present their report for year ended 31 December 2023.

INTRODUCTION

The Daughters of Mary and Joseph are Religious Sisters belonging to an international Roman Catholic Religious Congregation which was founded in Belgium in 1817. In 1869 the first foundation in England developed in Croydon, Surrey, and it was from this foundation that the English Province (now a Region) grew and, from which, Sisters were sent for further mission work to America, Africa and Ireland.

We commit ourselves to:

- **THOSE TO WHOM SOCIETY SAYS THERE IS NO PLACE FOR YOU HERE** (General Chapter 2001)
- **LET GOD'S COMPASSION FLOW** (General Chapter 2010)

Over recent years these two Chapter statements have influenced the daily mission of the Sisters in the English Region as well as the Congregation as a whole. Where we have insufficient personnel to fulfil a role that we would wish to do, we give support in whatever way we can to other Charities who are engaged in that work.

OBJECTS

The objects of the CIO are:

- (a) The advancement of the Roman Catholic religion; and
- (b) The advancement of education for the public benefit through the religious and other charitable work of the Congregation by such means as the charity trustees, with the approval of the Regional Coordinating Group or, if there is no Regional Coordinating Group, the Superior General, shall from time to time think fit.

PRINCIPAL ACTIVITIES

The CIO will aim to support the religious and other charitable works performed by members of the Congregation. These works will fall into the following areas:

1. HEALTHCARE

- a) The Healthcare Management Trust, subsequently referred to as HMT, continues to be entrusted with the healthcare at Coloma Court Care Home and it leases the property from the DMJ. HMT are dedicated to providing the medical care necessary to promote the well-being of the elderly and frail in order to make their later life a happy and fulfilling experience in a Christian atmosphere of love and security. The Home is staffed by trained nurses and carers and activities are provided for those wishing to avail themselves of outings etc. Coloma Court is registered for up to 62 residents and the DMJ have priority. There is a full-time priest-chaplain, resident on site.
- b) The Convent building, completed in 2014, continues to enable an enhanced level of care for the elderly and sick sisters in a DMJ community environment. Most of these would otherwise have had to be moved into Care Homes. The flats at Southgate near the entrance to the complex now accommodate the chaplains of the nursing home and the convent, the deputy manager of convent and one of the sisters. The solar panels continue to generate a small income. 12 elderly sisters are cared for in St. Joseph's Community on the West Wickham Site. One sister, who is a nurse, manages this with a deputy and a team of carers.

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

PRINCIPAL ACTIVITIES (continued)

2. EDUCATION

Coloma Convent Girls School, Croydon, founded by the DMJ in 1869. It has always provided a high standard of Education for girls between the ages of 11 and 18. In 2023, the school became part of the South East London Catholic Academies Trust and the Trusteeship was handed over to Southwark Diocese. The School buildings that were owned by the DMJ were gifted to the Diocese which in turn leased them to the Multi-academy Trust.

Coloma has a very good academic record and offers numerous opportunities for pupils to participate in competitive and recreational sport, musical and other non-academic activities. The School's ethos is centred on the Catholic Faith and prepares young people for the challenge of adult life.

PUBLIC BENEFIT STATEMENT

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

ORGANISATION/POLICY

The constitution of the CIO states that there must be at least three trustees. At present there are seven Trustees (see Page 1). The trustees are:

- Members of the Regional Coordinating Group (RCG), to serve until the end of their respective terms:
Sister Paula Marie Spark
Sister Annette Lawrence
Sister Sheila Josephine Moloney
and
- four trustees, who are not members of the RCG, also served in this role during 2023:
Sister Sheila Barrett
Sister Felicé Anne Bowker Wright.
Mrs Hilary Gal
Mr Marc Stas

The Region is led by the Regional Coordinating Group with Sr. Paula Spark as the named leader. Members of the RCG are automatically, ex officio, trustees. The RCG has the power to appoint or remove trustees by means of a resolution. They also work closely with the English Region Finance Team, Lay Bursar and other Advisors. As the constitution stipulates, the majority of the trustees are drawn from the sisters of the Region and are, therefore, fully conversant with the operations of the Charity. The sisters have now invited two lay trustees to strengthen the expertise of the board. While the lay trustees are becoming familiar with the charity and its workings, the two sisters who are not members of the RCG will remain in place. The trustees also attend conferences and webinars to update themselves on the issues and legislation pertaining to the Charity.

All income earned by the Sisters, such as salaries, stipends and pensions, is paid into a Central Fund and a system of annual budgeting provides for each community of Sisters and those who live alone. Each community and individual renders their accounts to the central office.

THE ENGLISH REGION OF THE DAUGHTERS OF MARY AND JOSEPH CIO

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

KEY MANAGEMENT

The Trustees consider that the key management of the material assets of the Charity is undertaken by themselves and in particular the Regional Bursar (along with a lay bursar) to whom much of the running of the day-to-day running operation devolves. As religious sisters, under a vow of poverty, the Trustees do not receive remuneration. The lay trustees offer their services on a voluntary basis. The Trustees have adopted a policy of ensuring that all staff are paid at or above the London Living Wage.

REVIEW OF DEVELOPMENTS AND ACHIEVEMENTS DURING THE YEAR

General

Most of the Sisters referred to below work in a voluntary capacity. The DMJ have previously provided Coloma Court Care Home with three Sisters as Pastoral Care Assistants but this is no longer possible due to the age and health of those concerned. Stipends for Sisters working in parishes range from nil to £5,000 per annum. There are occasional Stipends for talks or retreats given by some sisters.

One sister is a hospital chaplain at Croydon University Hospital, visiting patients and organising the work of the priests who visit. As part of the Vicars for Religious team for Southwark Diocese she also supports religious in the Diocese.



Some sisters work as parish sisters, taking part in catechesis, working with the clergy and supporting parishioners in many different ways. They take communion to the housebound, support families in need running RCIA courses for those wishing to join the Catholic Church.

(Sr. Sheila Moloney at the baptism of a patient)

Some sisters who are less mobile, still manage to support parishioners, Associates and other contacts by telephone and email. Others provide Spiritual accompaniment on zoom or in person. One has taken part as a director in online week retreats in daily life organised from the London Jesuit Centre. These have been an opening for people who would not normally be able to or want to attend in person. Some sisters have given talks to the local Ascent group (for Catholic over 60's) and other groups, including icon workshops.

(Sr. Sheila Barrett give a talk to an Ascent group on Julian of Norwich.)



Education

Coloma Convent Girls' School in Shirley has been recognised as one of the top non-selective secondary schools in the country for many years. Following the educational principles and ethos of the Congregation, the emphasis is not solely on the academic but on the development of the whole person where each one is encouraged to see that she can make a positive difference through love, commitment and service.

THE ENGLISH REGION OF THE DAUGHTERS OF MARY AND JOSEPH CIO

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Two of the Sisters continue to serve as Governors. In order to maintain the ethos and provide spiritual support for both staff and pupils, the DMJ fund a chaplain for the school. The lay chaplain employed, has begun work and has already made a positive contribution. There have already been retreats for most year groups. She has also increased the links with the sisters and the pupils knowledge of the Congregation and its history. A new "Founder's Day" mass was celebrated on 1st December, organised and attended by year 9. Several of the sisters attended.



(DMJ at the Coloma Founder's Day mass.)

The school has now become part of the South East London Catholic Academies Trust and been handed over to Southwark Diocese. Despite no longer being trustees of Coloma, the DMJ retain strong links and two sisters continue as school Governors.

In extracurricular activities, normally many girls sing in the school's various choirs. Pupils have an opportunity to play a variety of instruments, with the school holding around 50 concerts throughout the year. Coloma also offers the Combined Cadet Force as an extra-curricular activity, as well as Duke of Edinburgh Awards, along with more than 60 different clubs helping pupils gain skills such as teamwork, commitment and resilience.

Healthcare

The overall occupancy for 2023 in Coloma Court Care Home averaged 93.3% although it ended the year at only 87.3%. The Home is now recovering from the Covid 19 Pandemic and residents are being encouraged to take part in various activities. They have organised their own Carol Service for the last 2 years, taking place in the Convent chapel.

Unfortunately, due to age and health there is no DMJ sister involved in chaplaincy at the moment but there is still a priest chaplain. Daily mass is celebrated and he visits residents regularly.

The care of the elderly sisters and staff in St. Joseph's community is a priority. 24-hour care is provided for those who need it and the sisters support each other in community life and prayer. A new audio-visual system has been installed in the main chapel and the smaller community chapel. This has improved the sound, making participation easier for the elderly sisters who are hard of hearing. It also enables them to watch the services from their bedrooms if necessary. It is a joy to be able to livestream events from the chapel so that sisters around the world, families and residents of Coloma Court can take part. We have also been able to have Regional meetings online or hybrid (Zoom and live) so that the sisters who live at a distance can take part even if they can no longer travel to West Wickham.

Grants

Since 2019, the English Region has been supporting the establishment and growth of Colette De Brandt school in Ngozi, Burundi. This began as a kindergarten and has expanded to a primary school. In 2022 a loan was sent to finance the building of the 18-classroom primary section until a grant was received from another source. The building was completed and the loan repaid. The first 2 classes of pupils are now in the school. The roll will grow year by year as pupils move up through the classes.

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**



Towards the end of 2022 some land, including a house adjacent to the school was bought and a grant of £100,000 was requested to fence the grounds, develop a playground and carpark for the school and renovate the house for the sisters who will be teaching there. This was agreed and sent in December 2022.



Playground



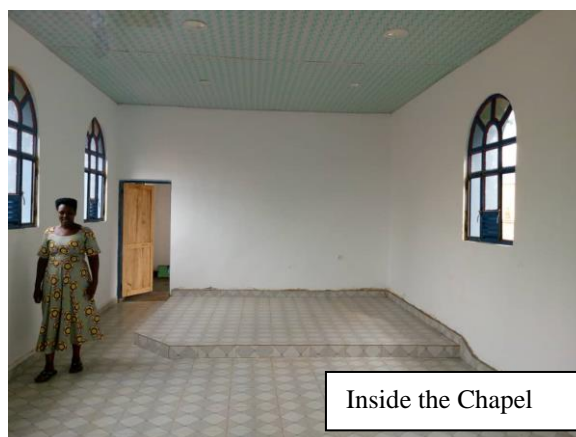
Fence and Road in front of the School

Due to rapidly rising construction costs, the plans for the work were adapted. The fence around the school was built and the road in front re-surfaced. The playground, instead of being laid out as Volleyball and basketball courts was simply levelled and planted with grass.

The renovation of the Community House is also now completed. The walls have been plastered, the roof, the ceiling, the tiles have been put in, the walls painted and electricity and water have been connected. A report and accounts have been received by the Trustees.



The front of the house



Inside the Chapel

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW OF THE YEAR

The charity's principal sources of income are voluntary income, which mainly consists of salaries and pensions donated by sisters, and charitable trading income, largely consisting of rent from, and a share of the surplus of the Coloma Court Care Home. Ordinary income from sisters was higher at £452.3k compared to £330.1k in 2022 due to the rise in pensions. (There was some extraordinary income received). Charitable trading income was higher at £477.6k (2022: £298.8k) as £179k share of surplus was received from HMT in 2023 but none in 2022. Income from investments and interest increased slightly to £469.8k (2022: £468k). Thus, total income from recurring sources was around £1.40m (2022: £1.30m). In 2023 gains on the sale of tangible fixed assets were £3.8k (2022: £1k).

Expenditure amounted to £1.41m (2022: £1.55m). The higher expenditure in 2022 was due to the donation to Southwark diocese (Coloma School properties) and a grant to DMJ in Africa. The expenditure in 2023 was more 'usual'. Therefore, the results for the year, before investments gains/losses, was a deficit of £51.9k (2022: £252k).

Investments gains amounted to £1.27m (2022: £2.31m loss) and thus the overall increase in funds over the year was £1.26m (2022: decrease of £2.57m).

RESERVES POLICY

At the end of the year the total reserves of the charity stood at £27.2m, of which £21.0m has been designated, leaving general reserves of just over £6.2m.

A fund of £10m has been designated in respect of the Charity's commitment to provide for the retirement and care in old age and sickness of the Congregation's members. A review of the Congregation's membership conducted during 2018 indicated that a fund in the region of £10m was then required to finance fully the Charity's commitment to provide for the care for its elderly members after taking account of their occupational pension rights. The trustees intend to carry out an actuarial review of this within the year as the numbers of sisters and the level and cost of care has changed significantly since 2018.

The Charity has a number of properties and other fixed assets which are used to fulfil its charitable objectives. These properties, although unrestricted assets, cannot be realised without undermining the Charity's work and reflect the investment in properties held to further the charitable work undertaken. At the end of 2023, the fund stood at £11m.

The Trustees' policy is to hold between twelve and twenty-four months' expenditure in reserve. The current level is equal to more than two years' expenditure but as the level of reserves is to be reviewed and most of it is held in investments, the Trustees are satisfied with this.

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

INVESTMENT POLICY AND PERFORMANCE

There are no restrictions on investments held.

To ease the administrative duties falling on fewer sisters and to still be sure of the ethical use of funds the investments of the Region are now held in the CCLA Catholic Fund. This matches closely with the values of the Charity. This fund is also disinvested from fossil fuels. The Trustees and/or their representatives meet with the fund managers at least once a year in order to discuss the performance and ethics of the fund. They also attend online update meetings.

The investment strategy is to maximise total return within acceptable levels of risk while maintaining an ethical stance in line with the policy of the Charity. The investments generated a total return of 12.18% (2022: -11.32%) This met the stated aims of CCLA (CPI plus 5%) as the inflation rate fell towards the end of the year. The returns reflect the worldwide problems of high inflation and poor performance of the markets. It is broadly in line with average returns quoted for Charity investment funds in 2023. The income remained sufficient and consistent. The Trustees therefore consider that the year's return was satisfactory.

Trustees are currently investigating other suitable charity investment funds in order to diversify and spread the risk to our funds.

RISK MANAGEMENT

The Trustees have considered the major risks to which the Charity is exposed. Every effort is being made to mitigate those risks. The key risks for the Charity, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

- There is always a risk of capital losses in investments due to the volatility of the markets. This would not impact the Charity significantly as the capital is invested for the long term. Due to the risk level and adaptable form of the CCLA Catholic Fund this risk is also mitigated as far as possible. There is also a risk that investment income will fall which could have a major impact on the cashflow of the Charity. However, as the income from the CCLA Catholic Fund is based on the number of units and almost guaranteed at a given rate for the year, income is only likely to fall within the year if capital is withdrawn. Advance notice would be given of any change in income rates.
- The Region has an obligation, both moral and legal, to provide care for its members, none of whom has resources of her own and all of whom have devoted a significant part of their lives to the work of the Charity. The Sisters are all under a vow of poverty and therefore providing them with support is considered to be an important element of the Charity's work. Wherever possible, care is provided for frail and unwell members within communities but sometimes it is necessary to place a Sister in a care home, the cost of which can be significant. The care of sisters in the Region's own facility also entails significant staffing and medical costs. The incidence of such care needs is impossible to predict and the Trustees therefore believe that it is incumbent upon them to maintain reserves at an appropriate level to ensure that the Charity is able to meet this obligation – see Reserves Policy above.
- There is a Safeguarding policy in place. The Trustees are committed to implementing all policies and procedures of the new Catholic Safeguarding Standards Agency CSSA, are working with the Religious Life Safeguarding Service (RLSS) and have a Congregational policy. An individual has been designated person responsible for keeping sisters and staff up to date, and ensuring adequate training. DBS clearance is obtained for all staff caring for sisters in The Convent on the West Wickham site and for any sisters working with children or vulnerable adults
- One area is to ensure that our properties continue to be safe places for the Sisters and visitors to use. Attention is given to keeping our properties in good repair. General maintenance is regularly carried out and for any repairs local firms are used and so the local workforce is supported. All of the buildings on the West Wickham Site have gradually been replaced or demolished partly to overcome risks with regard to the buildings as well as to conform with the new National Care Standards and accommodate the changes in the sisters' ministries.

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

FUTURE PLANS

As the sisters are ageing and decreasing in numbers plans need to be put in place to ensure the care of the sisters, the management and legacy of the Charity and the continuation of ministries by others where appropriate. Work on this has begun in line with the Strategic Plan of the Congregation. Goals have been put in place which include appointing a general manager and working with the new lay trustees as there are fewer sisters able to fulfil these roles.

The trustees are also working on the future of Coloma Court, the land where the Emmaus Centre once stood and the rest of the West Wickham Site. It is hoped that we will be able to work with others to provide care and outreach that will benefit the local community.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Charity law 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 at the year end and of its income and expenditure during that year. In preparing the accounts, the Trustees are required to:

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

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

They are also responsible for identifying the major risks to which the Charity is exposed, reviewing those risks and establishing systems to mitigate them.

The accounts accompanying this report comply with current statutory requirements and the constitution of the CIO.

By Order of the Trustees



.....
Sr. Paula Spark.

Date: 12/08/2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ENGLISH REGION OF THE DAUGHTERS OF MARY AND JOSEPH CIO

YEAR ENDED 31 DECEMBER 2023

We have audited the financial statements of The English Region of the Daughters of Mary and Joseph CIO for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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 financial statements 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ENGLISH REGION OF THE DAUGHTERS OF MARY AND JOSEPH CIO (continued)

YEAR ENDED 31 DECEMBER 2023

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to depreciation charges. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Reviewing calculations for depreciation including reviewing estimated useful economic lives;
- Inspecting correspondence with the Charity Commission, HMRC and other regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These related to the economic useful life of tangible fixed assets.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ENGLISH REGION OF THE DAUGHTERS OF MARY AND JOSEPH CIO (continued)

YEAR ENDED 31 DECEMBER 2023

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

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Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 13 August 2024

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

THE ENGLISH REGION OF
THE DAUGHTERS OF MARY AND JOSEPH CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Total 2023 £	Total 2022 £
Income from			
Donations and legacies	1	452,346	528,333
Investments	2	469,772	468,010
Charitable trading activities	3	477,576	298,772
Other			
- Surplus on disposal of tangible fixed assets		3,772	1,355
Total Income		<u>1,403,466</u>	<u>1,296,470</u>
Expenditure on			
Charitable activities			
Support of members of the Congregation and their ministry	4	1,367,366	1,144,563
Donations	5	46,868	404,324
Total expenditure		<u>1,414,234</u>	<u>1,548,887</u>
Net movement in funds for the year before gains/(losses) on investments	6	(10,768)	(252,417)
Other recognised gains and losses			
Net gains/(losses) on investments		1,270,053	(2,313,071)
Net movement in funds for the year		<u>1,259,285</u>	<u>(2,565,488)</u>
Fund balances brought forward at 1 January 2023		25,980,196	28,545,684
Fund balances carried forward at 31 December 2023		<u><u>27,239,481</u></u>	<u><u>25,980,196</u></u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 23 form part of these financial statements.

THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
TANGIBLE FIXED ASSETS	10	11,014,659	11,236,483
INVESTMENTS	11	15,331,703	14,061,651
		<u>26,346,362</u>	<u>25,298,134</u>
 CURRENT ASSETS			
Debtors	12	379,512	250,385
Cash at bank		<u>838,418</u>	<u>777,537</u>
		1,217,930	1,027,922
CREDITORS: Amounts falling due within one year	13	<u>(324,811)</u>	<u>(345,860)</u>
NET CURRENT ASSETS		893,119	682,062
 NET ASSETS		<u><u>27,239,481</u></u>	<u><u>25,980,196</u></u>
Represented by:			
 ACCUMULATED FUNDS			
Unrestricted funds:			
Designated funds		21,014,659	21,236,484
General funds		6,224,822	4,743,712
		<u><u>27,239,481</u></u>	<u><u>25,980,196</u></u>

The notes on pages 16 to 23 form part of these financial statements.

Approved by the Trustees and signed on their behalf by

A Lawrence

.....
Sr. Annette Lawrence

Date: 12/8/2024

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash inflow from Operating Activities			
Net cash provided by/(used in) operating activities	A	(360,695)	(461,731)
Cash inflow/(outflow) from investing activities			
Dividends and interest from investments		469,772	468,010
Payments to acquire fixed assets		(51,968)	(52,214)
Receipts from sales of fixed assets		3,772	-
Payments to acquire investments		-	-
Receipts from sales of investments		-	300,000
Net cash provided by/(used in) investing activities		421,576	715,796
Cash inflow/(outflow) from financing activities		60,881	254,065
Cash and cash equivalents at 1 January 2023	B	777,537	523,472
Cash and cash equivalents at 31 Dec 2023	B	838,418	777,537

Notes to the Cash Flow Statement

A. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds (as per the Statement of Financial Activities)	1,259,285	(2,565,488)
Adjustments for		
(Gains)/losses on investments	(1,270,053)	2,313,071
Surplus on disposal of fixed assets	(3,772)	
Donation of fixed assets	-	(468,010)
Dividends and interest from investments	(469,772)	259,754
Depreciation	273,792	295,520
Decrease/(Increase) in debtors	(129,127)	(68,203)
Increase / (Decrease) in creditors	(21,048)	(228,375)
Net cash used in operating activities	(360,695)	(461,731)

B. Analysis of cash and cash equivalents

Cash at bank and in hand	838,418	777,537
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Analysis of changes in net debt

	At 1 Jan 2023	Cashflows	At 31 Dec 2023
Cash in bank and in hand	£777,537	£60,881	£838,418

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice for charities (SORP 2019) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the economic useful life of tangible fixed assets.

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 no less than one year from the date of approval of these accounts.

The trustees have drawn up a cash flow forecast to July 2025 and attempted to assess the risks involved, (See Risk Assessment on page 7). Assurances of ongoing income from investments have been given by the investment managers. The charity also has a very strong balance sheet with large investment and cash balances. Whilst there will undoubtedly be challenges ahead, the trustees do not expect material concerns to arise over the charity's financial position

The Trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2023, the most significant areas that affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' Report for more information).

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of Charity. Designated funds are unrestricted funds of the Charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken.

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Income recognition

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, 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(s) to the Trust 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 and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Sisters' salaries and pensions are received under deeds of covenant and are stated free of income tax as the amounts were donated by the sisters to a registered charity. They are however net of deductions for social security payments and contributions to occupational pension schemes.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend 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.

Expenditure recognition and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise fees paid in respect of fund management advice in relation to the Charity's portfolio of quoted investments, which is managed under a discretionary management agreement.
- Expenditure on charitable activities includes all the costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and their ministry. It also includes governance costs.

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 single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of 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.

Pension scheme

Contributions are made to a defined contribution pension scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Tangible fixed assets

Individual fixed assets costing £2,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

	Annual rate
Freehold land	Nil
Freehold buildings	2%
Fixtures and fittings	25%
Motor vehicles	25%

Financial Instruments

The charity will only hold financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Quoted investments are a form of basic financial instrument and are initially recognised at cost and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Gains or losses on investments are disclosed in the statement of financial activities as a combined figure for realised gains or losses from investment sales in the year (sale proceeds less market value last year) and unrealised gains or losses arising from the increase/decrease in value during the year of investments still held.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits for more than three months and up to 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 where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Services provided by members of the Congregation

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

General Information Note

The English Region of the Daughters of Mary and Joseph CIO is a charitable incorporated organisation in England and Wales, with the charity registration number 1171001. The registered office is The Convent, Daughters of Mary and Joseph, Layhams Road, West Wickham, Kent, BR4 9QJ. The principal objectives of the charity are set out on page 2 of the Trustees Report.

THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 DONATIONS AND LEGACIES

	2023	2022
	£	£
Stipends and pensions	412,182	510,102
Legacies	18,677	12,933
Other donations	21,487	5,298
	<u>452,346</u>	<u>528,333</u>

2 INVESTMENT INCOME

	2023	2022
	£	£
Income from quoted investments	444,282	462,762
Bank Interest	25,490	5,248
	<u>469,772</u>	<u>468,010</u>

3 INCOME FROM CHARITABLE TRADING ACTIVITIES

	2023	2022
	£	£
Rent from Care Home	298,332	298,332
Share of Care Home surplus	179,024	-
Rent from other properties surplus to charitable requirements	220	440
	<u>477,576</u>	<u>298,772</u>

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

4 SUPPORT OF MEMBERS OF THE CONGREGATION AND THEIR MINISTRY	2023	2022
	£	£
General Support of sisters and their ministry	294,278	317,278
Medical & Care costs	83,644	69,393
Premises and equipment	114,327	49,351
Costs of development of Emmaus building/site	-	(127,819)
Education	-	1,087
Depreciation	273,792	259,754
Support Costs	583,325	557,659
Governance costs	18,000	17,860
	<u>1,367,366</u>	<u>1,144,563</u>
Support Costs		
Bank charges	487	675
Salaries	528,796	529,636
Agency staff	44,545	18,504
Telephone	5,147	5,223
Administration	4,350	3,621
	<u>583,325</u>	<u>557,659</u>
5 DONATIONS	2023	2022
	£	£
Grants	24,821	85,976
General alms and donations	22,047	21,473
Donation of property to Diocese	-	296,875
	<u>46,868</u>	<u>404,324</u>
6 NET MOVEMENT IN FUNDS	2023	2022
	£	£
This is stated after charging:		
Staff costs (note 8)	573,341	548,140
Auditor's remuneration (including VAT)		
- Statutory audit services	18,000	17,860
Depreciation	273,792	259,754
	<u></u>	<u></u>

**THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO**

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 STAFF COSTS AND REMUNERATION OF KEY PERSONNEL	2023	2022
	£	£
Wages & salaries	471,926	477,215
Social security costs	42,716	39,252
Pensions	14,154	13,169
Agency staff	44,545	18,504
	<u>573,341</u>	<u>548,140</u>
 The average number of employees in the year was:	 20	 21
The number of employees whose emoluments exceeded £60,000 were:	 <u>Nil</u>	 <u>Nil</u>

The key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis solely comprises the Trustees.

The total remuneration of the key management personnel was nil (2022: nil).

8. TRUSTEES' EXPENSES & REMUNERATION, TRANSACTIONS WITH TRUSTEES & RELATED PARTIES

Most of the Trustees of the Charity are also members of the Congregation and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Region.

Two of the Trustees of the charity are also Trustees of the Daughters of Mary and Joseph Congregation Fund CIO. In 2023 gifts of £8k were given to this charity. (2022: £8k plus a grant of £86k).

The two Lay Trustees do not receive any remuneration (2022: £Nil) and there have been no other related party transactions (2022: £Nil).

9 TAXATION

The Charity is exempt from tax on income and gains derived from its charitable activities to the extent that these are applied to its charitable objects.

THE ENGLISH REGION OF THE DAUGHTERS OF MARY AND JOSEPH CIO

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

TANGIBLE FIXED					
10	ASSETS	Freehold Land and Buildings £	Fixtures & Motor Vehicles £	Office Equipment £	Total £
COST OR VALUATION					
	At 1 January 2023	14,251,145	105,421	111,044	14,467,610
	Additions	-	40,760	11,208	51,968
	Disposals	-	(19,465)	(4,860)	(24,325)
	At 31 December 2023	14,251,145	126,716	117,392	14,495,253
DEPRECIATION					
	At 1 January 2023	3,060,213	78,865	92,048	3,231,126
	Charge for year	244,823	20,791	8,178	273,792
	Disposals	-	(19,465)	(4,860)	(24,325)
	At 31 December 2023	3,305,036	80,191	95,366	3,480,593
NET BOOK VALUE					
	At 31 December 2023	10,946,109	46,525	22,026	11,014,659
	At 31 December 2022	11,190,932	26,556	18,996	11,236,483

Apart from a small proportion used for management and administrative purposes, all the above assets are used in direct furtherance of the Charity's objects.

In November 2022 Coloma Convent Girls' School converted to academy status. The school is now part of South East London Catholic Academies Trust (SELCAT), and is under the jurisdiction of the Roman Catholic Archdiocese of Southwark (registered incorporated charity number 1173050). During the year ended 31 December 2022, two properties linked to the Coloma Girls School were transferred out of the ownership of the English Region of the Daughters of Mary and Joseph to the Archdiocese for no consideration. These properties had a net book value of. £296,875. See also note 5.

11	INVESTMENTS	Total 2023 £	Total 2022 £
	Value:		
	At 1 January 2023	14,061,651	16,674,722
	Disposals	-	(300,000)
	Revaluation for the year	1,270,053	(2,313,071)
	At 31 December 2023	15,331,703	14,061,651
	Cost at year end	13,944,338	13,944,338
	At the year-end quoted investments comprised:		
	CCLA Catholic Charities Fund	15,331,703	14,061,651

THE ENGLISH REGION OF THE
DAUGHTERS OF MARY AND JOSEPH CIO

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

12	DEBTORS	2023 £	2022 £
	Prepayments	63,195	56,944
	Other debtors	316,317	193,441
		<u>379,512</u>	<u>250,385</u>
13	CREDITORS: amounts falling due within one year	2023 £	2022 £
	Accruals and deferred income	166,057	172,538
	Taxation & Social Security	11,431	10,908
	Other creditors	147,323	162,414
		<u>324,811</u>	<u>345,860</u>

14 DESIGNATED FUNDS

Movement in the year

	Balance b/f £	Net Income/ Expenditure £	Gains/ (Losses) £	Transfers £	Balance at 31 December 2023 £
Retirement	10,000,000	-	-	-	10,000,000
Fixed Assets	11,236,483	(273,792)	-	51,968	11,014,659
	<u>21,236,483</u>	<u>(273,792)</u>	<u>-</u>	<u>51,968</u>	<u>21,014,659</u>

15 ANALYSIS OF NET ASSETS
BETWEEN FUNDS

	Tangible Fixed assets £	Investments £	Net current Assets £	Total £
Designated Funds -				
Retirement	-	10,000,000	-	10,000,000
Fixed Assets	11,014,659	-	-	11,014,659
	<u>11,014,659</u>	<u>10,000,000</u>	<u>-</u>	<u>21,014,659</u>
Unrestricted funds	-	5,331,703	893,119	6,224,822
	<u>11,014,659</u>	<u>15,331,703</u>	<u>893,119</u>	<u>27,239,481</u>

16. CONTINGENT ASSET – ESCROW ACCOUNT

As part of the agreement with the tenant of the Coloma Court Care Home, an Escrow Account has been set up to cover the cost of works of maintenance, repair and replacement for the roof as a result of water ingress. The parties each undertake to hold the sums retained in the account on trust. A sum, to be determined by reference to the surplus generated by the Home, but not exceeding £140,000 will be deposited into the account each year. It is anticipated that the sum held in the account will be entirely utilised in making good the roof but any excess will be shared equally between the charity and the tenant. At the end of December 2023, the balance on the account stood at £277,312.64.