

ORDER OF THE COMPANY OF MARY OUR LADY CIO

England & Wales · Charity number 1173559

Details

Status Registered

Legal form CIO

Registered 2017-06-26

Register [View on the Charity Commission register](#)

Contact

Address Order Of The Company Of Mary
Our Lady
Lestonnac
27 - 29 Between Streets
Cobham
SURREY

Phone 01932866450

Email comolcobham@gmail.com

Activities

Objects: FOR SUCH CHARITABLE PURPOSES AS SHALL ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE ORDER AS THE TRUSTEES, WITH THE APPROVAL OF THE TERRITORIAL DELEGATE (AND IF THERE SHALL BE NO POSITION OF TERRITORIAL DELEGATE, THEN THE PROVINCIAL SUPERIOR OF ANY PROVINCE OF THE ORDER WITH WHICH THE TERRITORIAL DELEGATION IN ENGLAND AND WALES MAY MERGE; AND IF THERE SHALL BE NO APPOINTED PROVINCIAL SUPERIOR, THEN THE SUPERIOR GENERAL), SHALL FROM TIME TO TIME THINK FIT AND IF AT ANY TIME THE ORDER SHALL CEASE TO EXIST OR SHALL CEASE TO CARRY ON RELIGIOUS OR OTHER CHARITABLE WORK THEN FOR SUCH OTHER LAWFUL CHARITABLE PURPOSES CONNECTED WITH THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION AS THE TRUSTEES SHALL DETERMINE.

Activities: THE PROVISION OF EDUCATION AND SOCIAL AND PASTORAL CARE IN THE COMMUNITY

Classification

- **How:** Provides Other Finance, Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Education/training, Disability, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Spain
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£423,585	£223,919	-	-
2024-12-31	£410,341	£190,726	-	-
2023-12-31	£973,585	£192,971	£4,743,028	0
2022-12-31	£315,365	£188,199	-	-
2021-12-31	£399,953	£244,699	-	-
2020-12-31	£291,989	£201,559	-	-

Trustees

Name	Role	Appointed
SISTER PATRICIA GRADY ODN	Chair	2017-09-14
SISTER ANNE GILL ODN		2017-09-14
SISTER MARIA NIEVES ESCALADA GALLEGO ODN		2017-09-14
SISTER MARIA RITA CALVO SANZ ODN		2022-02-02

ORDER OF THE COMPANY OF MARY OUR LADY CIO

England & Wales - Charity number 1173559

Accounts

Order of the Company of Mary Our Lady CIO

Annual Report and Accounts

31 December 2025

Charity Registration Number
1173559

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2
Independent auditor's report	11

Accounts

Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Principal accounting policies	18
Notes to the accounts	23

Reference and administrative details of the charity, its trustees and advisers

Trustees	Sister Maria Nieves Escalada Gallego ODN Sister Anne Gill ODN Sister Patricia Grady ODN Sister María Rita Calvo Sanz ODN
Local Superior	Sister Patricia Grady ODN
Principal address	Lestonnac 27-29 Between Streets Cobham Surrey KT11 1AA
Charity registration number	1173559
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays UK plc 8-12 Church Street Walton on Thames Surrey KT12 2QX
Solicitors	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG
Investment managers	Rathbones Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

The trustees present their report and the accounts of the Order of the Company of Mary Our Lady CIO (the charity) for the year ended 31 December 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 22 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction

The Sisters of the Company of Mary Our Lady (the Order) are the members of an international Roman Catholic religious order founded by Jeanne de Lestonnac (1556-1640) in France in 1607. The Order's mission is education, focused on the person in all their uniqueness.

Previously the Delegation of England was administered by the Territorial Delegate together with a Council consisting of two other members. Now, due to the decrease in numbers, the sisters in England are a single Community with a Local Superior and come directly under the Superior General. The Local Superior is appointed by the Superior General after consultation with the sisters in England, for a term of three years, renewable for up to nine years.

The accounts accompanying this report are the accounts of the charitable incorporated organisation (CIO) which administers the assets of the Order in England. The CIO is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number 1173559).

Mission

The principal objective of the charity, as set out in its Constitution, is to advance the religious and other charitable work undertaken by the Order and its members (the sisters) in England.

The principal work with which the sisters are involved concerns the provision of education together with social and pastoral care in the wider community.

By supporting and caring for the individual members throughout their lives within the Order, the charity aims to enable and support the sisters in living out their faith and serving other people, keeping in mind both the most urgent contemporary needs and present capacities of the sisters.

When setting the aims, planning the work of the charity and encouraging the work of individual members of the Order, the trustees give careful consideration to the Charity Commission's general guidance on public benefit.

Activities, specific objectives and relevant policies

Caring for members of the Order

The Community in England has five members, all of whom have given their working lives to the charitable activities of the Order, and any earnings are covenanted to the charity. In common with many religious congregations in Britain, the age profile of the members of the Community is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 84.

The Community has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education. As the age profile of the Community increases, so too does the need to provide care for the sisters.

Over the next decade, the trustees expect the number of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Community, the property requirements of the Community and the financial implications.

Education

In 2002, the education assets of the charity were transferred to the related charity, Notre Dame School, Cobham (Charity Registration Number 1081875). This charity continues to operate Notre Dame School, Cobham, a school providing education and consisting of a Preparatory and Senior School.

Through the sisters who are members of the Board of Governors of Notre Dame School, Cobham, the Order continues to ensure that its ethos and educational philosophy is maintained in the school in a manner consistent with the original aims and spirit of the school when run by the Order. There are sisters from the USA and Spain on the Board of Governors, who will be replaced when the occasion arises with other sisters from overseas, to ensure the continued support of the Order for the School.

The trustees of the charity continue to be actively involved with the school as Governors, members of committees and serve also in an advisory capacity.

To promote the ethos of the school and raise awareness of the Order's spiritual, educational and cultural heritage, the sisters lead an annual pilgrimage of a group of governors and staff to Bordeaux. This is where the Order was founded in 1607 by St Jeanne de Lestonnac, the niece of the French essayist Michel de Montaigne, for the education of girls.

The Order also provides opportunities for staff and Governors of the school to participate in its own international education conferences and meetings which are run by the Order every three to five years. The meetings help to integrate Notre Dame School, Cobham into the Order's international network of schools and educational centres.

Three of the trustees are involved with a connected charity, ODNs Cobham Outreach CIO (Charity Registration Number 1174655), to make known the work of the international Order and raise awareness in the school and the local parish of the needs of women and children in poorer parts of the world. Moreover, this provides an opportunity for the pupils of Notre Dame School to stretch out a helping hand in accordance with the School's ethos, as well as channelling some of their charity fundraising.

The sisters also organise other opportunities for language exchanges and voluntary work for pupils on an individual basis. One sister provides aftercare for pupils of Notre Dame School at the end of the school day.

Social and pastoral care

The members of the Order also continue to be active in parish activities. The sisters undertake work in the local community giving religious and material assistance to those in need (both Roman Catholic and from the wider public).

Their work involves helping in pastoral social activities in the parish, as well as visiting the sick at home. In conjunction with ODNs Cobham Outreach, they also organise film shows for people of the parish and local care homes.

Grants and donations policy

Whilst the trustees agree to support 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.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity does not actively fundraise. 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. However, the trustees have requested that the investment managers do not invest in any company whose primary business is concerned with the manufacture of armaments, tobacco, alcohol or any products which would be used in connection with contraception or abortion or whose primary business entails labour exploitation. The trustees have delegated discretionary powers of management to Rathbone Investment Management Limited. The portfolio is managed with a view to producing a balance between income and capital returns.

Financial review for the year

Results for the year

A summary of the year's results is set out on page 15 of the attached accounts.

During the year to 31 December 2025, income amounted to £423,585 (2024: £410,341). Of this, £139,228 (2024: £136,480) comprised donations including £138,428 (2024: £133,280) being the pensions receivable by members of the Order and donated to the charity under Gift Aid compliant Deeds of Covenant. The charity received investment income of £42,322 (2024: £45,695), bank interest of £37,518 (2024: £39,046), and had rents receivable in respect to property leased to Notre Dame School, Cobham of £198,717 (2024: £189,120). During the prior year, the sale of tangible fixed assets, gave rise to a surplus of £3,800 (2024 £nil). Excluding this surplus, income for the year amounted to £419,785 in comparison to £410,341 in 2024.

During the year, the charity incurred expenditure of £223,919 (2024: £190,726). Expenditure for maintaining the members of the Order and enabling them to carry out their charitable work amounted to £179,991 (2024: £148,518). Donations paid during the year totalled £22,253 (2024: £24,848). Further details of donations are given in note 5 to the attached accounts. Costs of raising funds represents investment management fees and amounted to £17,926 (2024: £17,360).

The overall net income before investment gains for the year amounted to £199,666 (2024: £219,615). Investment gains were £177,916 (2024: £121,549) resulting in net movement in funds of £377,582 (2024: £341,164).

Investment performance

The charity has a portfolio of investments with a market value at 31 December 2025 of £2,281,574 (2024 £2,076,923) including cash awaiting investment of £104,939 (2024 £55,065).

The performance of the portfolio reflected the positive condition of the markets generally throughout the period. The investment managers invested in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 11 to the attached accounts.

The trustees take a long-term view regarding investment strategy and believe their policy remains appropriate.

Financial position and reserves policy

The balance sheet shows total funds of £5,461,774 at 31 December 2025. Of this, £494,169 (2024: £489,589) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £1,313,290 (2024: £1,313,290) comprises funds represented by a property classified as programme related investment.

The trustees have designated an amount of £1,700,000 as a sisters' retirement fund (2024: £1,600,000).

Funds which are available as free reserves i.e. those unrestricted funds not designated for specific purposes or otherwise committed, are shown on the balance sheet as general funds and amount to £1,954,315 (2024: £1,681,313). It is the trustees' aim to ensure that sufficient funds are generated to be able to provide a proper level of care for sisters of all ages as they need it.

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to cover approximately eight year's on-going expenditure and to provide for contingencies and unevenness in future income.

At the date of the balance sheet, the trustees consider that the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the current macroeconomic and geopolitical environment.

Future plans

The trustees do not anticipate any significant changes to the charity or its objectives over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ Ensuring all members of the Order receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Order to continue with their individual ministries, as far as they are able, given their limitations of age and health;
- ◆ Selling the charity's property currently used as a community house once the property becomes surplus to requirements; and
- ◆ Paying due heed to the current macroeconomic and geopolitical environment and its consequences, both socially and economically.

The trustees are united in their concern for the overall health and wellbeing of each of the members of the Community in England. They are equally concerned that the members be supported and encouraged to live to the full the Mission of the Order to which each one has professed.

Governance, structure and management

Governance

In terms of Canon law, the Order is governed at an international level by the Superior General and her team in Rome. The Superior General is elected every six years by the members of the Order at the General Chapter and she appoints the General Team from the names put forward by the General Chapter.

During the year, the charity had four trustees including the Local Superior. The power of appointing new trustees rests with the Local Superior, with the approval of the Superior General.

In terms of Civil law, the charity is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number: 1173559). As all trustees are members of the Order, they have a detailed knowledge of the work of the charity and of its structures. On being appointed, new trustees are required to spend some time with those leaving office, to receive a briefing on their responsibilities and the current position of the charity. They also meet with the Order's legal and accounting advisers during the course of a day to obtain a full briefing of their responsibilities and the charity's position. On-going in-service training takes place during the mandate.

Trustees

The charity's Constitution states that there must be at least three charity trustees and no more than nine trustees.

In selecting new individuals for appointment as trustees, the Local Superior has regard to the skills, knowledge and experience needed for the effective administration of the charity.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review all aspects regarding the charity and its activities, to plan and make relevant decisions for the future. When necessary, the trustees seek advice and support from the charity's professional advisers, including solicitors and accountants. The day to day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the Order.

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).

Statement of trustees' responsibilities (contd)

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles 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);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the 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.

Two of the trustees are members of the Community in England and their living and personal expenses are borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

Liability of the member

The Local Superior is the sole member of the CIO.

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

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Order and the charity currently face and have reviewed the measures already in place to deal with them.

The charity's principal assets include listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by a reputable investment manager who adheres to a policy agreed by the trustees. The investment strategy will be assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future. Given the current macroeconomic and geopolitical environment, the trustees will continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long-term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

The areas identified for particular attention within the charity's risk management strategy are:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputational
- ◆ Laws

Governance and management: looks at the risk of the Order, and hence the charity, of the skills and training of its members, and the good use of its resources.

An analysis of the age profile of the sisters shows that the average age at 31 December 2025 was 84 years. The trustees are aware that there is both a moral and legal obligation to care for the sisters. None of the sisters have resources of their own as all earnings, pensions and any 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 future 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 the ministries and needs of individual sisters, identifying those who need extra care and help.

Risk management (contd)

Another major risk associated with the decline in the number of vocations of the Order and increasing average age of the membership, is that the charity would not be able to continue to be involved directly with the school in ensuring that the Charism of the school is maintained. In order to mitigate the major risk, sisters from the International Order, with educational experience, have become involved so that the charity is able to continue to fulfil its mission in the United Kingdom in the future.

Operational: looks at the risks inherent in the activities of the charity.

The trustees recognise the absolute necessity of ensuring the protection and safety of all whom the charity serve. This means that all sisters who are in any kind of ministry have obtained clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Standards Agency (CSSA).

The activities of the charity involve working with children and with adults who may need help at particularly vulnerable moments in life.

Financial: looks at risks including those arising as a result of poor budgetary control, poor accounting and poor financial controls.

Reputational: looks at possible damage to the Order's and hence the charity's reputation.

Laws, regulations, external and environment: looks at the effect of government policies and the consequences of non-compliance with laws and regulations in so far as they are applicable to the Order's activities.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced, they have established effective systems to mitigate those risks.

Members of the Order

The members of the Order continue to give unsparing service and dedication to all the Order's works and the trustees wish to record their appreciation.

Signed on behalf of the trustees:



Patricia Grady ODN
Approved by the trustees on:

9 July 2026

Independent auditor's report to the trustees of Order of the Company of Mary Our Lady CIO

Opinion

We have audited the accounts of Order of the Company of Mary Our Lady CIO (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the 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 31 December 2025 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 7 to 8, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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:

How the audit was considered capable of detecting irregularities including fraud

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 identified the laws and regulations applicable to the charity through discussions with representatives from the trustees, and from our knowledge and experience of the charity sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and reviewed minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested and reviewed journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure including the authorisation thereof;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates

Independent auditor's report 31 December 2025

were indicative of potential bias; and

- ♦ investigated the rationale behind significant or unusual transactions.

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

- ♦ agreeing accounts disclosures to underlying supporting documentation;
- ♦ reading the minutes of meetings of trustees; and
- ♦ enquiring of representatives from the trustees as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 10 July 2026

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

Statement of financial activities Year to 31 December 2025

	Notes	2025 £	2024 £
Income from:			
Donations and legacies	1	139,228	136,480
Investments and interest receivable	2	280,557	273,861
Other income			
. Surplus on disposal of tangible fixed assets	9	3,800	—
Total income		423,585	410,341
Expenditure on:			
Cost of raising funds - Investment manager's fees		17,926	17,360
Charitable activities			
.Support of members of the Order and their ministry	3	179,991	148,518
.Programme related investments	4	3,749	—
.Grants and donations	5	22,253	24,848
Total expenditure		223,919	190,726
Net income before net investment gains	7	199,666	219,615
Net gains on investment assets		177,916	121,549
Net movement in funds		377,582	341,164
Reconciliation of funds:			
Funds brought forward at 1 January 2025		5,084,192	4,743,028
Funds carried forward at 31 December 2025		5,461,774	5,084,192

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

All activities of the charity derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	9		494,169		489,589
Programme related investments	10		1,313,290		1,313,290
Listed investments	11		2,281,574		2,076,923
			4,089,033		3,879,802
Current assets					
Debtors	12	6,589		3,479	
Cash at bank and in hand		1,409,556		1,242,971	
		1,416,145		1,246,450	
Creditors: amounts falling due within one year	13	(43,404)		(42,060)	
Net current assets			1,372,741		1,204,390
Total net assets			5,461,774		5,084,192
The funds of the charity:					
Unrestricted funds					
. Tangible fixed assets fund	14		494,169		489,589
. Programme related investment fund	15		1,313,290		1,313,290
. Designated fund	16		1,700,000		1,600,000
. General funds			1,954,315		1,681,313
			5,461,774		5,084,192

Approved by the trustees and signed
on their behalf by:

Patricia Grady ODN

Patricia Grady ODN

Approved by the trustees on:

9 July 2026

Charity Registration Number 1173559

Statement of cash flows Year to 31 December 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Net cash used in operating activities		(75,756)	(52,552)
	A		
Cash flows from investing activities:			
Investment income and interest received		280,557	273,861
Purchase of investments		(328,292)	(265,913)
Proceeds from the disposal of listed investments		351,432	180,238
Purchase of tangible fixed assets		(15,281)	(1,194)
Proceeds from the disposal of tangible fixed assets		3,800	—
Net cash provided by investing activities		292,216	186,992
Change in cash and cash equivalents in the year		216,460	134,440
	B		
Cash and cash equivalents at 1 January 2025		1,298,036	1,163,596
Cash and cash equivalents at 31 December 2025	B	1,514,496	1,298,036

Notes to the statement of cash flows for the year to 31 December 2025

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

	2025 £	2024 £
Net movement in funds (as per the statement of financial activities)	377,582	341,164
Adjustments for:		
Depreciation charge	10,701	7,076
(Gains) losses on listed investments	(177,916)	(121,549)
Investment income and interest receivable	(280,557)	(273,861)
(Increase) decrease in debtors	(3,110)	(2,005)
(Decrease) increase in creditors	1,344	(3,377)
Surplus on disposal of tangible fixed assets	(3,800)	—
Net cash used in operating activities	(75,756)	(52,552)

B Analysis of cash and cash equivalents

	At 1 December 2024 £	Cash flows £	At 31 December 2025 £
Total cash and cash equivalents:			
Cash at bank and in hand	1,242,971	166,585	1,409,556
Cash held by investment managers	55,065	49,874	104,939
Total cash and cash equivalents	1,298,036	216,460	1,514,496

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

The 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 31 December 2025, with comparative information given in respect to the year to 31 December 2024.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of calculating the depreciation charge;
- ◆ determining the value of designated funds including the determination of the assumptions made in determining the value of the retirement fund; and
- ◆ estimating the future income and expenditure flows of the charity 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 will continue to keep both income and expenditure under review. 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.

The trustees will continue to communicate with their investment manager, Rathbones Investment Management, and, whilst there are concerns over the volatility in world stock markets given the current macroeconomic and geopolitical environment, they acknowledge also that the charity is a long-term investor.

Assessment of going concern (contd)

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 2026, 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).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from the charity's programme related investment, bank interest receivable, investment income, the surplus on disposal of tangible fixed assets and other income.

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 pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation 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.

Donated goods provided to the charity as gifts in kind are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the goods are provided to the charity. An equivalent amount is included as expenditure or capitalised if the goods represent a tangible fixed asset. Donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the goods of equivalent economic benefit on the open market.

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

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.

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

Income from programme related investments comprises rental income from a property used by another registered charity for purposes consistent with the objects of the Order, and is recognised when due under the lease arrangements with the entity. Income is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

Income recognition (contd)

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 recognition

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 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 on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:

- ◆ Expenditure on the support of members of the Order and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Order.
- ◆ Expenditure on programme related investments.
- ◆ Grants and donations to support the Order's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.

Charitable donations are made where the trustees consider there is real need following a review of the details of each particular case. Donations are included in the statement of financial activities when approved for payment. Provision is made for donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT

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.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Allocation of support and governance costs (contd)

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Order as any governance costs in relation to the provision of donations and grants is considered to be negligible.

Tangible fixed assets

◆ Freehold land and buildings

The charity's land and buildings represent non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. They are stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made.

◆ Furniture and equipment

All items of furniture and equipment or groups of such assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised and are depreciated over a ten year period on a straight line basis.

In some circumstances, the charity will capitalise a group of assets individually costing less than £1,000 where these are interdependent components of a grouped asset with a value exceeding £1,000.

Fully depreciated items are eliminated in the year following the year in which they are fully depreciated.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Programme related investment

Programme related investment includes land and buildings owned by the charity but used by Notre Dame School, Cobham for purposes consistent with the charity's objectives. The programme related investment is included in the accounts at cost.

Listed 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 above 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.

Listed investments (contd)

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.

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 funds of the charity comprise unrestricted funds available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds are amounts representing tangible fixed assets, programme related investments and amounts which the trustees have designated for specific purposes. Details of these are provided in the notes to the accounts.

Services provided by members

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

1 Income from: donations

	2025 £	2024 £
Salaries and pensions of individual religious received under Gift Aid compliant deeds of covenant	138,428	133,280
General donations	800	3,200
	139,228	136,480

2 Income from: Investments and interest receivable

	2025 £	2024 £
Bank interest	37,518	39,046
Dividends and interest from listed investments	44,322	45,695
Income from programme related investments		
. Rental income	198,717	189,120
	280,557	273,861

3 Expenditure on: support of members of the Order and their ministry

	2025 £	2024 £
Premises	21,654	16,994
Sisters' living and personal expenses	33,547	29,285
Nursing care and medical costs	91,373	68,853
Formation and spiritual renovation	163	2,274
Depreciation	10,701	7,076
Support costs		
. Governance costs – legal and professional fees	18,245	19,275
. Other costs	4,308	4,761
	179,991	148,518

4 Expenditure on: Programme related investments

	2025 £	2024 £
Legal and professional fees	3,749	—

5 Expenditure on: Charitable donations

Donations during the year comprised:

	2025 £	2024 £
<i>Donations to institutions:</i>		
Generalate of the Order of the Company of Mary Our Lady		
. Annual contribution to support the Generalate	20,874	23,350
<i>Donations to individuals:</i>		650
Stipends and other gifts	1,379	848
	22,253	24,848

6 Staff costs, key management personnel and trustees' remuneration

The charity does not employ any staff (2024: none). No employee earned £60,000 per annum or more (including taxable benefits) during the year (2024: none).

The trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

As members of the Order, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2024: £nil).

7 Net income and net movement in funds

This is stated after charging:

	2025 £	2024 £
Auditor's remuneration		
. Statutory audit services:		
.. Current year	12,000	12,000
.. Previous year	(480)	1,170
Depreciation	10,701	7,076

8 Taxation

The Order of the Company of Mary Our Lady CIO 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.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2025	464,487	37,662	33,121	535,270
Additions	—	1,296	13,985	15,281
Disposals	—	—	(8,890)	(8,890)
At 31 December 2025	464,487	38,958	38,216	541,661
Depreciation				
At 1 January 2025	—	19,183	26,498	45,681
Eliminated on disposal	—	—	(8,890)	(8,890)
Charge for the year	—	3,895	6,806	10,701
At 31 December 2025	—	23,078	24,414	47,492
Net book values				
At 31 December 2025	464,487	15,880	13,802	494,169
At 31 December 2024	464,487	18,479	6,623	489,589

10 Programme related investments

The programme related investment represents the charity's share of the land and buildings used by Notre Dame School, Cobham, and owned jointly by the charity and Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)).

The charity and the school have entered into a Declaration of Trust dated 20 August 2003 to formalise the manner in which the school property may be dealt with.

The charity leases the land and buildings situated at Burwood House, Convent Lane, Cobham KT11 1HA, to Notre Dame School under a 999-year lease term which commenced on 1 September 2002. During 2021, the terms of the lease were reviewed and with effect from 1 September 2022 the annual rental was increased from £163,360 to £177,736 with further annual increases to be in line with CPIH. The annual rental was increased to £201,797 with effect from 1 September 2025 (2024 £194,973). Under the terms of the lease, the school may cancel the lease at any time by giving the charity twelve months' written notice.

11 Listed investments

	2025 £	2024 £
Listed investments		
Fair (market) value at 1 January 2025	2,021,858	1,814,634
Additions at cost	328,293	265,913
Disposals at book value	(341,600)	(174,882)
Unrealised gains	168,084	116,193
Fair (market) value at 31 December 2025	2,176,635	2,021,858
Cash held by investment managers	104,939	55,065
	2,281,574	2,076,923
Cost of listed investments at 31 December 2025	1,876,929	1,853,521

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

	2025 £	2024 £
Proceeds	351,432	180,238
Net realised (gains)/losses	(9,832)	(5,356)
Disposals at book value	341,600	174,882

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

Listed investments held at 31 December 2025 comprised the following:

	2025 £	2024 £
UK fixed interest	615,082	567,609
UK equities	282,210	314,520
Overseas fixed interest	—	60,636
Overseas equities	1,279,343	1,079,093
	2,176,635	2,021,858

At 31 December 2025 there were no listed investments deemed material when compared to the overall portfolio valuation as at that date.

12. Debtors

	2025 £	2024 £
Investment income receivable	374	323
Prepayments and accrued income	6,215	3,156
	6,589	3,479

13. Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals	22,530	21,710
Donations payable to the Generalate of the Order of the Company of Mary Our Lady	20,874	20,350
	43,404	42,060

14 Tangible fixed assets fund

	2025 £	2024 £
At 1 January 2025	489,589	495,471
Net movement in year	4,580	(5,882)
At 31 December 2025	494,169	489,589

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds 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.

15 Programme related investment fund

The programme related investment fund represents the book value of the charity's programme related investment at 31 December 2025 and 31 December 2024. There has been no movement in the value since 1 January 2020.

16 Designated fund – retirement reserve

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

	2025 £	2024 £
Retirement fund		
At 1 January 2025	1,600,000	1,500,000
Designated in the year	100,000	100,000
At 31 December 2025	1,700,000	1,600,000

The Sisters' retirement fund has been established by the charity's trustees to provide for the future costs of providing care for elderly sisters who have dedicated their working lives to the charity. Additional designations have been made in-year to reflect the increase in expected future costs of care.

17 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2025 £
Fund balances at 31 December 2025 are represented by:					
Tangible fixed assets	—	494,169	—	—	494,169
Listed Investments	581,574	—	—	1,700,000	2,281,574
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	1,372,741	—	—	—	1,372,741
	<u>1,954,315</u>	<u>494,169</u>	<u>1,313,290</u>	<u>1,700,000</u>	<u>5,461,774</u>

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2024 £
Fund balances at 31 December 2024 are represented by:					
Tangible fixed assets	—	489,589	—	—	489,589
Listed Investments	476,923	—	—	1,600,000	2,076,923
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	1,204,390	—	—	—	1,204,390
	<u>1,681,313</u>	<u>489,589</u>	<u>1,313,290</u>	<u>1,600,000</u>	<u>5,084,192</u>

The funds of the charity include unrealised gains as follows:

	2025 £	2024 £
Total unrealised gains:		
On investments	299,706	168,337
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2025	168,337	44,883
In respect to disposals in year	(36,715)	7,261
Net gains arising on revaluation in the year	168,084	116,193
Unrealised gains at 31 December 2025	299,706	168,337

18. Transactions with trustees and other related party transactions

Several of the charity's trustees are also trustees of Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)) (the school). The school pays rent to the charity for the use of certain of the school property. The charity received rent of £198,717 during the year (2024: £189,120).

The charity occupies a portion of the said school property under a sub-lease, for which it pays an annual peppercorn rent.

The charity reimburses costs in relation to insurance and other expenses paid by the Notre Dame School on behalf of the charity. £3,146 was reimbursed during the year (2024: £5,788).

The charity is connected to ODNs Cobham Outreach (Charity Registration Number 1174655) (ODNs) by virtue of the fact that there are three trustees in common. The charity periodically dispenses costs in relation to travel and other expenses on behalf of ODNs. When incurred, these expenses are fully reimbursed by ODNs. The amounts incurred and reimbursed during the year amounted to £nil (2024: £nil).

As members of the Order, none of the trustees who are members of the Community (formerly the Delegation of England) 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. During the year, the total amount donated by the trustees to the charity was £44,891 (2024: £75,326).

There were no other related party transactions during the year which require disclosure (2024: none).

19. Ultimate control and liability of the member

The charity is now controlled by the Local Superior (previously this was the Territorial Delegate) who is the sole member of the CIO.

If the CIO is wound up, the member of the CIO has no liability to contribute to its assets and no personal responsibility for setting its debts and liabilities.

ORDER OF THE COMPANY OF MARY OUR LADY CIO

England & Wales - Charity number 1173559

Accounts

**Order of the Company of
Mary Our Lady CIO**

Annual Report and Accounts

31 December 2024

Charity Registration Number
1173559

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2
Independent auditor's report	11

Accounts

Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Principal accounting policies	18
Notes to the accounts	23

Reference and administrative details of the charity, its trustees and advisers

Trustees	Sister Anne Bayley ODN (resigned 8 February 2024) Sister Maria Nieves Escalada Gallego ODN Sister Anne Gill ODN Sister Patricia Grady ODN Sister María Rita Calvo Sanz ODN
Territorial Delegate	Sister Patricia Grady ODN
Principal address	Lestonnac 27-29 Between Streets Cobham Surrey KT11 1AA
Charity registration number	1173559
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays UK plc 8-12 Church Street Walton on Thames Surrey KT12 2QX
Solicitors	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG
Investment managers	Rathbones Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

Trustees' report 31 December 2024

The trustees present their report and the accounts of the Order of the Company of Mary Our Lady CIO (the charity) for the year ended 31 December 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 22 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction

The Sisters of the Company of Mary Our Lady (the Order) are the members of an international Roman Catholic religious order founded by Jeanne de Lestonnac (1556-1640) in France in 1607. The Order's mission is education, focused on the person in all their uniqueness.

The Order is divided into a number of separate Provinces and Delegations. The Delegation of England is administered by the Territorial Delegate together with a Council consisting of two other members. The Territorial Delegate and Council are appointed by the Superior General, after consultation with the sisters of the Delegation of England, for a term of three years, renewable for up to nine years.

The accounts accompanying this report are the accounts of the charitable incorporated organisation (CIO) which administers the assets of the Order in England. The CIO is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number 1173559).

Mission

The principal objective of the charity, as set out in its Constitution, is to advance the religious and other charitable work undertaken by the Order and its members (the sisters) in England.

The principal work with which the sisters are involved concerns the provision of education together with social and pastoral care in the wider community.

By supporting and caring for the individual members throughout their lives within the Order, the charity aims to enable and support the sisters in living out their faith and serving other people, keeping in mind both the most urgent contemporary needs and present capacities of the sisters.

When setting the aims, planning the work of the charity and encouraging the work of individual members of the Order, the trustees give careful consideration to the Charity Commission's general guidance on public benefit.

Activities, specific objectives and relevant policies

Caring for members of the Order

The Delegation in England has five members, the majority of whom have given their working lives to the charitable activities of the Order, and any earnings are covenanted to the charity. In common with many religious congregations in Britain, the age profile of the members of the Delegation is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 83.

The Delegation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education. As the age profile of the Delegation increases so too does the need to provide care for the sisters.

Over the next decade, the trustees expect the number of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Delegation, the property requirements of the Delegation and the financial implications.

Education

In 2002, the education assets of the charity were transferred to the related charity, Notre Dame School, Cobham (Charity Registration Number 1081875). This charity continues to operate Notre Dame School, Cobham, a school providing education and consisting of a Preparatory and Senior School.

Through the sisters who are members of the Board of Governors of Notre Dame School, Cobham, the Order continues to ensure that its ethos and educational philosophy is maintained in the school in a manner consistent with the original aims and spirit of the school when run by the Order. There is a Sister from the USA and a Sister from Spain on the Board of Governors, who will be replaced when the occasion arises with other sisters from overseas, to ensure the continued support of the Order for the School.

The trustees of the charity continue to be actively involved with the school as Governors, members of committees and serve also in an advisory capacity.

To promote the ethos of the school and raise awareness of the Order's spiritual, educational and cultural heritage, the sisters lead an annual pilgrimage of a group of governors and staff to Bordeaux. This is where the Order was founded in 1607 by St Jeanne de Lestonnac, the niece of the French essayist Michel de Montaigne, for the education of girls.

The Order also provides opportunities for staff and Governors of the school to participate in its own international education conferences and meetings which are run by the Order every three to five years. The meetings help to integrate Notre Dame School, Cobham into the Order's international network of schools and educational centres.

Activities, specific objectives and relevant policies (continued)

Education (continued)

Three of the trustees are involved with a connected charity, ODNs COBHAM OUTREACH CIO (Charity Registration Number 1174655), to make known the work of the international Order and raise awareness in the school and the local parish of the needs of women and children in poorer parts of the world. Moreover, this provides an opportunity for the pupils of Notre Dame School to stretch out a helping hand in accordance with the School's ethos, as well as channelling some of their charity fundraising.

The sisters also organise other opportunities for language exchanges and voluntary work for pupils on an individual basis. One sister provides aftercare for pupils of Notre Dame School at the end of the school day.

Social and pastoral care

The members of the Order also continue to be active in parish activities. The sisters undertake work in the local community giving religious and material assistance to those in need (both Roman Catholic and from the wider public). Their work involves pastoral activities and organising religious instruction for children, young people and also adults; as well as home and hospital visits.

Grants and donations policy

Whilst the trustees agree to support 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.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity does not actively fundraise. 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. However, the trustees have requested that the investment managers do not invest in any company whose primary business is concerned with the manufacture of armaments, tobacco, alcohol or any products which would be used in connection with contraception or abortion or whose primary business entails labour exploitation. The trustees have delegated discretionary powers of management to Rathbone Investment Management Limited. The portfolio is managed with a view to producing a balance between income and capital returns.

Activities, specific objectives and relevant policies (continued)

Financial review for the year

Results for the year

A summary of the year's results is set out on page 15 of the attached accounts.

During the year to 31 December 2024, income amounted to £410,341 (2023: £973,585). Of this, £136,480 (2023: £130,159) comprised donations including £133,280 (2023: £126,934) being the pensions receivable by members of the Order and donated to the charity under Gift Aid compliant Deeds of Covenant. The charity received investment income of £45,695 (2023: £44,797) and had rents receivable in respect to property leased to Notre Dame School, Cobham of £189,120 (2023: £181,519). During the prior year, the sale of tangible fixed assets, including a property, gave rise to a surplus of £616,738. Excluding this surplus, income for the year amounted to £410,341 in comparison to £356,847 in 2023.

During the year, the charity incurred expenditure of £190,726 (2023: £192,971). Expenditure for maintaining the members of the Order and enabling them to carry out their charitable work amounted to £148,518 (2023: £130,900). Donations paid during the year totalled £24,848 (2023: £25,357). Further details of donations are given in note 5 to the attached accounts. Costs of raising funds represents investment management fees and amounted to £17,360 (2023: £15,423).

The overall net income before investment gains for the year amounted to £219,615 (2023: £780,614). Investment gains were £121,549 (2023: £71,364) resulting in net movement in funds of £341,164 (2023: £851,978).

Investment performance

The charity has a portfolio of investments with a market value at 31 December 2024 of £2,076,923 (2023: £1,925,774) including cash awaiting investment of £55,065 (2023: £111,140).

The performance of the portfolio reflected the positive condition of the markets generally throughout the period. The investment managers invested in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 11 to the attached accounts.

The trustees take a long-term view regarding investment strategy and believe their policy remains appropriate.

Financial review for the year (continued)

Financial position and reserves policy

The balance sheet shows total funds of £5,084,192 at 31 December 2024. Of this, £489,589 (2023: £495,471) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £1,313,290 (2023: £1,313,290) comprises funds represented by a property classified as programme related investment.

The trustees have designated an amount of £1,600,000 as a Sisters' retirement fund (2023: £1,500,000).

Funds which are available as free reserves i.e. those unrestricted funds not designated for specific purposes or otherwise committed, are shown on the balance sheet as general funds and amount to £1,681,313 (2023: £1,434,267). It is the trustees' aim to ensure that sufficient funds are generated to be able to provide a proper level of care for sisters of all ages as they need it.

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to cover approximately eight year's on-going expenditure and to provide for contingencies and unevenness in future income.

At the date of the balance sheet, the trustees consider that the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the current macroeconomic and geopolitical environment.

Future plans

The trustees do not anticipate any significant changes to the charity or its objectives over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ Ensuring all members of the Order receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Order to continue with their individual ministries, as far as they are able, given their limitations of age and health;
- ◆ Selling the charity's property currently used as a community house once the property becomes surplus to requirements; and
- ◆ Paying due heed to the current macroeconomic and geopolitical environment and its consequences, both socially and economically.

The trustees are united in their concern for the overall health and wellbeing of each of the members of the Delegation. They are equally concerned that the members be supported and encouraged to live to the full the Mission of the Order to which each one has professed.

Governance, structure and management

Governance

In terms of Canon law, the Order is governed at an international level by the Superior General and her team in Rome. The Superior General is elected every six years by the members of the Order at the General Chapter and she appoints the General Team from the names put forward by the General Chapter.

During the year, the charity had five trustees including the Territorial Delegate. The power of appointing new trustees rests with the Territorial Delegate, with the approval of the Superior General.

In terms of Civil law, the charity is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number: 1173559). As all trustees are members of the Order, they have a detailed knowledge of the work of the charity and of its structures. On being appointed, new trustees are required to spend some time with those leaving office, to receive a briefing on their responsibilities and the current position of the charity. They also meet with the Order's legal and accounting advisers during the course of a day to obtain a full briefing of their responsibilities and the charity's position. On-going in-service training takes place during the mandate.

Trustees

The charity's Constitution states that there must be at least three charity trustees and no more than nine trustees.

In selecting new individuals for appointment as trustees, the Territorial Delegate has regard to the skills, knowledge and experience needed for the effective administration of the charity.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review all aspects regarding the charity and its activities, to plan and make relevant decisions for the future. When necessary, the trustees seek advice and support from the charity's professional advisers, including solicitors and accountants. The day to day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the Order.

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).

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles 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);
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the 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.

Three of the trustees are members of the Delegation of England and their living and personal expenses are borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

Liability of the member

The Territorial Delegate is the sole member of the CIO.

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

Governance, structure and management (continued)

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Order and the charity currently face and have reviewed the measures already in place to deal with them.

The charity's principal assets include listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by a reputable investment manager who adheres to a policy agreed by the trustees. The investment strategy will be assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future. Given the current macroeconomic and geopolitical environment, the trustees will continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long-term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

The areas identified for particular attention within the charity's risk management strategy are:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputational
- ◆ Laws

Governance and management: looks at the risk of the Order, and hence the charity, of the skills and training of its members, and the good use of its resources.

An analysis of the age profile of the sisters shows that the average age at 31 December 2024 was 83 years. The trustees are aware that there is both a moral and legal obligation to care for the sisters. None of the sisters have resources of their own as all earnings, pensions and any 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 future 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 the ministries and needs of individual sisters, identifying those who need extra care and help.

Governance, structure and management (continued)

Risk management (continued)

Another major risk associated with the decline in the number of vocations of the Order and increasing average age of the membership, is that the charity would not be able to continue to be involved directly with the school in ensuring that the Charism of the school is maintained. In order to mitigate the major risk, sisters from the International Order, with educational experience, have become involved so that the charity is able to continue to fulfil its mission in the United Kingdom in the future.

Operational: looks at the risks inherent in the activities of the charity.

The trustees recognise the absolute necessity of ensuring the protection and safety of all whom the charity serve. This means that all sisters who are in any kind of ministry have obtained clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Standards Agency (CSSA).

The activities of the charity involve working with children and with adults who may need help at particularly vulnerable moments in life.

Financial: looks at risks including those arising as a result of poor budgetary control, poor accounting and poor financial controls.

Reputational: looks at possible damage to the Order's and hence the charity's reputation.

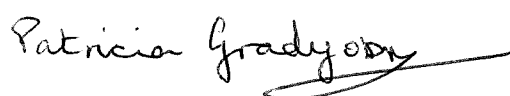
Laws, regulations, external and environment: looks at the effect of government policies and the consequences of non-compliance with laws and regulations in so far as they are applicable to the Order's activities.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced, they have established effective systems to mitigate those risks.

Members of the Order

The members of the Order continue to give unsparing service and dedication to all the Order's works and the trustees wish to record their appreciation.

Signed on behalf of the trustees:

 26 June 2025

Patricia Grady ODN
Approved by the trustees on:

26 June 2025

Independent auditor's report to the trustees of Order of the Company of Mary Our Lady CIO

Opinion

We have audited the accounts of Order of the Company of Mary Our Lady CIO (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the 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 31 December 2024 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 7 to 8, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

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:

How the audit was considered capable of detecting irregularities including fraud

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 identified the laws and regulations applicable to the charity through discussions with representatives from the trustees, and from our knowledge and experience of the charity sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and reviewed minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested and reviewed journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure including the authorisation thereof;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates

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

How the audit was considered capable of detecting irregularities including fraud (continued)

were indicative of potential bias; and

- ♦ investigated the rationale behind significant or unusual transactions.

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

- ♦ agreeing accounts disclosures to underlying supporting documentation;
- ♦ reading the minutes of meetings of trustees; and
- ♦ enquiring of representatives from the trustees as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date



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

Statement of financial activities Year to 31 December 2024

	Notes	2024 £	2023 £
Income from:			
Donations and legacies	1	136,480	130,159
Investments and interest receivable	2	273,861	226,688
Other income			
. Surplus on disposal of tangible fixed assets	9	—	616,738
Total income		410,341	973,585
Expenditure on:			
Cost of raising funds - Investment manager's fees		17,360	15,423
Charitable activities	3	148,518	130,900
. Programme related investments	4	—	21,291
. Grants and donations	5	24,848	25,357
Total expenditure		190,726	192,971
Net income before net investment gains (losses)	7	219,615	780,614
Net gains on investment assets		121,549	71,364
Net movement in funds		341,164	851,978
Reconciliation of funds:			
Funds brought forward at 1 January 2024		4,743,028	3,891,050
Funds carried forward at 31 December 2024		5,084,192	4,743,028

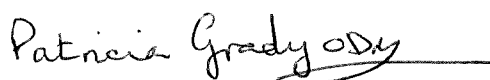
The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

All activities of the charity derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2023

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	9		489,589		495,471
Programme related investments	10		1,313,290		1,313,290
Listed investments	11		2,076,923		1,925,774
			3,879,802		3,734,535
Current assets					
Debtors	12	3,479		1,474	
Cash at bank and in hand		1,242,971		1,052,456	
		1,246,450		1,053,930	
Creditors: amounts falling due within one year	13	(42,060)		(45,437)	
Net current assets			1,204,390		1,008,493
Total net assets			5,084,192		4,743,028
The funds of the charity:					
Unrestricted funds					
. Tangible fixed assets fund	14		489,589		495,471
. Programme related investment fund	15		1,313,290		1,313,290
. Designated fund	16		1,600,000		1,500,000
. General funds			1,681,313		1,434,267
			5,084,192		4,743,028

Approved by the trustees and signed
on their behalf by:

Trustee 

Approved by the trustees on:

26 June 2025

Statement of cash flows Year to 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities		(52,552)	(43,035)
	A		
Cash flows from investing activities:			
Investment income and interest received		273,861	226,403
Purchase of investments		(265,913)	(981,784)
Proceeds from the disposal of listed investments		180,238	85,906
Purchase of tangible fixed assets		(1,194)	(14,260)
Proceeds from the disposal of tangible fixed assets		—	875,250
Net cash provided by investing activities		186,992	191,515
Change in cash and cash equivalents in the year		134,440	148,480
	B		
Cash and cash equivalents at 1 January 2024		1,163,596	1,015,116
Cash and cash equivalents at 31 December 2024	B	1,298,036	1,163,596

Notes to the statement of cash flows for the year to 31 December 2024

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

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	341,164	851,978
Adjustments for:		
Depreciation charge	7,076	6,956
(Gains) losses on listed investments	(121,549)	(71,364)
Investment income and interest receivable	(273,861)	(226,688)
(Increase) decrease in debtors	(2,005)	8,752
(Decrease) increase in creditors	(3,377)	4,069
Surplus on disposal of tangible fixed assets	—	(616,738)
Net cash used in operating activities	(52,552)	(43,035)

B Analysis of cash and cash equivalents

	At 1 December 2023 £	Cash flows £	At 31 December 2024 £
Total cash and cash equivalents:			
Cash at bank and in hand	1,052,456	190,515	1,242,971
Cash held by investment managers	111,140	(56,075)	55,065
Total cash and cash equivalents	1,163,596	134,440	1,298,036

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 31 December 2024

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2024, with comparative information given in respect to the year to 31 December 2023.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of calculating the depreciation charge;
- ◆ determining the value of designated funds including the determination of the assumptions made in determining the value of the retirement fund; and
- ◆ estimating the future income and expenditure flows of the charity 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 will continue to keep both income and expenditure under review. 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.

The trustees will continue to communicate with their investment manager, Rathbones Investment Management, and, whilst there are concerns over the volatility in world stock markets given the current macroeconomic and geopolitical environment, they acknowledge also that the charity is a long-term investor.

Assessment of going concern (continued)

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 2025, 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).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from the charity's programme related investment, bank interest receivable, investment income, the surplus on disposal of tangible fixed assets and other income.

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 pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation 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.

Donated goods provided to the charity as gifts in kind are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the goods are provided to the charity. An equivalent amount is included as expenditure or capitalised if the goods represent a tangible fixed asset. Donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the goods of equivalent economic benefit on the open market.

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

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.

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

Income from programme related investments comprises rental income from a property used by another registered charity for purposes consistent with the objects of the Order, and is recognised when due under the lease arrangements with the entity. Income is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

Income recognition (continued)

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

Expenditure recognition

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 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 on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:

- ◆ Expenditure on the support of members of the Order and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Order.
- ◆ Expenditure on programme related investments.
- ◆ Grants and donations to support the Order's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.

Charitable donations are made where the trustees consider there is real need following a review of the details of each particular case. Donations are included in the statement of financial activities when approved for payment. Provision is made for donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

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.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Order as any governance costs in relation to the provision of donations and grants is considered to be negligible.

Tangible fixed assets

◆ Freehold land and buildings

The charity's land and buildings represent non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. They are stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made.

◆ Furniture and equipment

All items of furniture and equipment or groups of such assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised and are depreciated over a ten year period on a straight line basis.

In some circumstances, the charity will capitalise a group of assets individually costing less than £1,000 where these are interdependent components of a grouped asset with a value exceeding £1,000.

Fully depreciated items are eliminated in the year following the year in which they are fully depreciated.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Programme related investment

Programme related investment includes land and buildings owned by the charity but used by Notre Dame School, Cobham for purposes consistent with the charity's objectives. The programme related investment is included in the accounts at cost.

Listed 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.

Listed investments (continued)

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

As noted above 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.

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.

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 funds of the charity comprise unrestricted funds available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds are amounts representing tangible fixed assets, programme related investments and amounts which the trustees have designated for specific purposes. Details of these are provided in the notes to the accounts.

Services provided by members

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

1 Income from: donations

	2024 £	2023 £
Salaries and pensions of individual religious received under Gift Aid compliant deeds of covenant	133,280	126,934
General donations	3,200	3,225
	136,480	130,159

2 Income from: Investments and interest receivable

	2024 £	2023 £
Bank interest	39,046	372
Dividends and interest from listed investments	45,695	44,797
Income from programme related investments		
. Rental income	189,120	181,519
	273,861	226,688

3 Expenditure on: support of members of the Order and their ministry

	2024 £	2023 £
Premises	16,994	20,675
Sisters' living and personal expenses	29,285	32,193
Nursing care and medical costs	68,853	42,885
Funeral costs	—	5,838
Formation and spiritual renovation	2,274	1,476
Depreciation	7,076	6,956
Support costs		
. Governance costs – legal and professional fees	19,275	15,411
. Other costs	4,761	5,466
	148,518	130,900

4 Expenditure on: Programme related investments

	2024 £	2023 £
Legal and professional fees	—	21,291

5 Expenditure on: Charitable donations

Donations during the year comprised:

	2024 £	2023 £
<i>Donations to institutions:</i>		
Generalate of the Order of the Company of Mary Our Lady	23,350	23,620
. Annual contribution to support the Generalate	650	650
<i>Donations to individuals:</i>		
Stipends and other gifts	848	1,087
	24,848	25,357

6 Staff costs, key management personnel and trustees' remuneration

The charity does not employ any staff (2023: none). No employee earned £60,000 per annum or more (including taxable benefits) during the year (2023: none).

The trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

As members of the Order, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2023: £nil).

7 Net income and net movement in funds

This is stated after charging:

	2024 £	2023 £
Auditor's remuneration		
. Statutory audit services:		
.. Current year	12,000	9,750
.. Previous year	1,170	—
Depreciation	7,076	6,956

8 Taxation

The Order of the Company of Mary Our Lady CIO 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.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2024	464,487	36,468	33,121	534,076
Additions	—	1,194	—	1,194
At 31 December 2024	<u>464,487</u>	<u>37,662</u>	<u>33,121</u>	<u>535,270</u>
Depreciation				
At 1 January 2024	—	15,417	23,188	38,605
Charge for the year	—	3,766	3,310	7,076
At 31 December 2024	<u>—</u>	<u>19,183</u>	<u>26,498</u>	<u>45,681</u>
Net book values				
At 31 December 2024	464,487	18,479	6,623	489,589
At 31 December 2023	<u>464,487</u>	<u>21,051</u>	<u>9,933</u>	<u>495,471</u>

10 Programme related investments

The programme related investment represents the charity's share of the land and buildings used by Notre Dame School, Cobham, and owned jointly by the charity and Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)).

The charity and the school have entered into a Declaration of Trust dated 20 August 2003 to formalise the manner in which the school property may be dealt with.

The charity leases the land and buildings situated at Burwood House, Convent Lane, Cobham KT11 1HA, to Notre Dame School under a 999 lease term which commenced on 1 September 2002. During 2021, the terms of the lease were reviewed and with effect from 1 September 2022 the annual rental was increased from £163,360 to £177,736. There was a further increase in the annual rental with effect from 1 September 2023 to £189,120. Under the terms of the lease, the school may cancel the lease at any time by giving the charity twelve months' written notice.

11 Listed investments

	2024 £	2023 £
Listed investments		
Fair (market) value at 1 January 2024	1,814,634	847,393
Additions at cost	265,913	981,784
Disposals at book value	(174,882)	(88,714)
Unrealised gains	116,193	74,171
Fair (market) value at 31 December 2024	2,021,858	1,814,634
Cash held by investment managers	55,065	111,140
	2,076,923	1,925,774
Cost of listed investments at 31 December 2024	1,853,521	1,769,751

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

	2024 £	2023 £
Proceeds	180,238	85,906
Net realised (gains)/losses	(5,356)	2,808
Disposals at book value	174,882	88,714

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

Listed investments held at 31 December 2024 comprised the following:

	2024 £	2023 £
UK fixed interest	567,609	509,550
UK equities	314,520	354,603
Overseas fixed interest	60,636	52,663
Overseas equities	1,079,093	897,818
	2,021,858	1,814,634

At 31 December 2024 there were no listed investments deemed material when compared to the overall portfolio valuation as at that date.

12. Debtors

	2024 £	2023 £
Investment income receivable	323	1,042
Prepayments and accrued income	3,156	432
	3,479	1,474

13. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals	21,710	30,437
Donations payable to the Generalate of the Order of the Company of Mary Our Lady	20,350	15,000
	42,060	45,437

14 Tangible fixed assets fund

	2024 £	2023 £
At 1 January 2024	495,471	746,679
Net movement in year	(5,882)	(251,208)
At 31 December 2024	489,589	495,471

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds 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.

15 Programme related investment fund

The programme related investment fund represents the book value of the charity's programme related investment at 31 December 2024 and 31 December 2023. There has been no movement in the value since 1 January 2020.

16 Designated fund – retirement reserve

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Retirement fund	2024 £	2023 £
At 1 January 2024	1,500,000	1,400,000
Designated in the year	100,000	100,000
At 31 December 2024	1,600,000	1,500,000

The Sisters' retirement fund has been established during the year by the charity's trustees to provide for the future costs of providing care for elderly sisters who have dedicated their working lives to the charity.

17 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2024 £
Fund balances at 31 December 2024 are represented by:					
Tangible fixed assets	—	489,589	—	—	489,589
Listed Investments	476,623	—	—	1,600,000	2,076,623
Programme related investment	—	—	1,313,590	—	1,313,590
Net current assets	1,204,390	—	—	—	1,204,390
	1,681,013	489,589	1,313,590	1,600,000	5,084,192

	General fund £	Tangible fixed Assets Fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2023 £
Fund balances at 31 December 2023 are represented by:					
Tangible fixed assets	—	495,471	—	—	495,471
Listed Investments	425,774	—	—	1,500,000	1,925,774
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	1,008,493	—	—	—	1,008,493
	1,434,267	495,471	1,313,290	1,500,000	4,743,028

The funds of the charity include unrealised gains as follows:

	2024 £	2023 £
Total unrealised gains:		
On investments	168,337	44,883
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2024	44,883	(45,602)
In respect to disposals in year	7,261	16,314
Net gains arising on revaluation in the year	116,193	74,171
Unrealised gains at 31 December 2024	168,337	44,883

18. Transactions with trustees and other related party transactions

Several of the charity's trustees are also trustees of Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)) (the school). The school pays rent to the charity for the use of certain of the school property. The charity received rent of £189,120 during the year (2023: £181,519).

The charity occupies a portion of the said school property under a sub-lease, for which it pays an annual peppercorn rent.

The charity reimburses costs in relation to insurance and other expenses paid by the Notre Dame School on behalf of the charity. £5,788 was reimbursed during the year (2023: £2,865) of which £nil (2023: £2,865) remained to be paid as at 31 December 2024.

The charity is connected to ODNs COBHAM OUTREACH (Charity Registration Number 1174655) (ODNs) by virtue of the fact that there are three trustees in common. The charity periodically dispenses costs in relation to travel and other expenses on behalf of ODNs. When incurred, these expenses are fully reimbursed by ODNs. The amounts incurred and reimbursed during the year amounted to £nil (2023: £14).

As members of the Order, none of the trustees who are members of the Delegation of England 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. During the year, the total amount donated by the trustees to the charity was £75,326 (2023: £67,529).

There were no other related party transactions during the year which require disclosure (2023: none).

19. Ultimate control and liability of the member

The charity is controlled by the Territorial Delegate who is the sole member of the CIO.

If the CIO is wound up, the member of the CIO has no liability to contribute to its assets and no personal responsibility for setting its debts and liabilities.

ORDER OF THE COMPANY OF MARY OUR LADY CIO

England & Wales - Charity number 1173559

Accounts

**Order of the Company of
Mary Our Lady CIO**

Annual Report and Accounts

31 December 2023

Charity Registration Number
1173559

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2
Independent auditor's report	11

Accounts

Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Principal accounting policies	18
Notes to the accounts	23

Reference and administrative details of the charity, its trustees and advisers

Trustees	Sister Anne Bayley ODN (resigned 8 February 2024) Sister Maria Nieves Escalada Gallego ODN Sister Anne Gill ODN Sister Patricia Grady ODN Sister Maria Rita Calvo Sanz ODN
Territorial Delegate	Sister Patricia Grady ODN
Principal address	Lestonnac 27-29 Between Streets Cobham Surrey KT11 1AA
Charity registration number	1173559
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays UK plc 8-12 Church Street Walton on Thames Surrey KT12 2QX
Solicitors	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG
Investment managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

The trustees present their report and the accounts of the Order of the Company of Mary Our Lady CIO (the charity) for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 19 to 23 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction

The Sisters of the Company of Mary Our Lady (the Order) are the members of an international Roman Catholic religious order founded by Jeanne de Lestonnac (1556-1640) in France in 1607. The Order's mission is education, focused on the person in all their uniqueness.

The Order is divided into a number of separate Provinces and Delegations. The Delegation of England is administered by the Territorial Delegate together with a Council consisting of two other members. The Territorial Delegate and Council are appointed by the Superior General, after consultation with the sisters of the Delegation of England, for a term of three years, renewable for up to nine years.

The accounts accompanying this report are the accounts of the charitable incorporated organisation (CIO) which administers the assets of the Order in England. The CIO is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number 1173559).

Mission

The principal objective of the charity, as set out in its Constitution, is to advance the religious and other charitable work undertaken by the Order and its members (the sisters) in England.

The principal work with which the sisters are involved concerns the provision of education together with social and pastoral care in the wider community.

By supporting and caring for the individual members throughout their lives within the Order, the charity aims to enable and support the sisters in living out their faith and serving other people, keeping in mind both the most urgent contemporary needs and present capacities of the sisters.

When setting the aims, planning the work of the charity and encouraging the work of individual members of the Order, the trustees give careful consideration to the Charity Commission's general guidance on public benefit.

Activities, specific objectives and relevant policies

Caring for members of the Order

The Delegation in England has six members, the majority of whom have given their working lives to the charitable activities of the Order, and any earnings are covenanted to the charity. In common with many religious congregations in Britain, the age profile of the members of the Delegation is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 82.

The Delegation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education. As the age profile of the Delegation increases so too does the need to provide care for the sisters.

Over the next decade, the trustees expect the number of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Delegation, the property requirements of the Delegation and the financial implications.

Education

In 2002, the education assets of the charity were transferred to the related charity, Notre Dame School, Cobham (Charity Registration Number 1081875). This charity continues to operate Notre Dame School, Cobham, a school providing education and consisting of a Preparatory and Senior School.

Through the sisters who are members of the Board of Governors of Notre Dame School, Cobham, the Order continues to ensure that its ethos and educational philosophy is maintained in the school in a manner consistent with the original aims and spirit of the school when run by the Order. There is a Sister from the USA and a Sister from Spain on the Board of Governors, who will be replaced when the occasion arises with other sisters from overseas, to ensure the continued support of the Order for the School.

The trustees of the charity continue to be actively involved with the school as Governors, members of committees and serve also in an advisory capacity.

To promote the ethos of the school and raise awareness of the Order's spiritual, educational and cultural heritage, the sisters lead an annual pilgrimage of a group of governors and staff to Bordeaux. This is where the Order was founded in 1607 by St Jeanne de Lestonnac, the niece of the French essayist Michel de Montaigne, for the education of girls.

The Order also provides opportunities for staff and Governors of the school to participate in its own international education conferences and meetings which are run by the Order every three to five years. Sisters from the Delegation of England assist with translation services, both written and simultaneous, for these meetings. The meetings help to integrate Notre Dame School, Cobham into the Order's international network of schools and educational centres.

Activities, specific objectives and relevant policies (continued)

Education (continued)

Three of the trustees are involved with a connected charity, ODNs COBHAM OUTREACH CIO (Charity Registration Number 1174655), to make known the work of the international Order and raise awareness in the school and the local parish of the needs of women and children in poorer parts of the world. Moreover, this provides an opportunity for the pupils of Notre Dame School to stretch out a helping hand in accordance with the School's ethos, as well as channelling some of their charity fundraising.

The sisters also organise other opportunities for language exchanges and voluntary work for pupils on an individual basis. One sister provides aftercare for pupils of Notre Dame School at the end of the school day.

Social and pastoral care

The members of the Order also continue to be active in parish activities. The sisters undertake work in the local community giving religious and material assistance to those in need (both Roman Catholic and from the wider public). Their work involves pastoral activities and organising religious instruction for children, young people and also adults; as well as home and hospital visits.

Grants and donations policy

Whilst the trustees agree to support 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.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity does not actively fundraise. 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. However, the trustees have requested that the investment managers do not invest in any company whose primary business is concerned with the manufacture of armaments, tobacco, alcohol or any products which would be used in connection with contraception or abortion or whose primary business entails labour exploitation. The trustees have delegated discretionary powers of management to Rathbone Investment Management Limited. The portfolio is managed with a view to producing a balance between income and capital returns.

Activities, specific objectives and relevant policies (continued)

Financial review for the year

Results for the year

A summary of the year's results is set out on page 15 of the attached accounts.

During the year to 31 December 2023, income amounted to £973,585 (2022: £315,365). Of this, £130,159 (2022: £125,807) comprised donations including £126,934 (2022: £121,953) being the pensions receivable by members of the Order and donated to the charity under Gift Aid compliant Deeds of Covenant. The charity received investment income of £44,797 (2022: £20,811) and had rents receivable in respect to property leased to Notre Dame School, Cobham of £181,519 (2022: £168,152). During the year, the sale of tangible fixed assets, including a property, gave rise to a surplus of £616,738 (2022: £570). Excluding this surplus, income for the year amounted to £356,847 (2022: £314,795).

During the year, the charity incurred expenditure of £192,971 (2022: £188,199). Expenditure for maintaining the members of the Order and enabling them to carry out their charitable work amounted to £130,900 (2022: £161,462). Donations paid during the year totaled £25,357 (2022: £16,858). Further details of donations are given in note 5 to the attached accounts. Costs of raising funds represents investment management fees and amounted to £15,423 (2022 £8,079).

The overall net income before investment gains (2022: before investment losses) for the year amounted to £780,614 (2022: £127,166). Investment gains were £71,364 (2022: losses of £85,321) resulting in net movement of funds of £851,978 (2022: £41,847). Excluding the surplus of the disposal of fixed assets, the net movement in funds for the year was £235,240 (2022: £41,277).

Investment performance

The charity has a portfolio of investments with a market value at 31 December 2023 of £1,925,774 (2022 £961,615) including cash awaiting investment of £111,140 (2022 £114,222).

During the year, the charity's investments achieved an income yield of 5.3% and a negative capital yield of 8.8%. The performance of the portfolio reflected the positive condition of the markets generally throughout the period. The charity also invested the proceeds from the sale of one of its properties during the year. The investment managers invested in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 11 to the attached accounts.

The trustees take a long-term view regarding investment strategy and believe their policy remains appropriate.

Financial review for the year (continued)

Financial position and reserves policy

The balance sheet shows total funds of £4,743,028 at 31 December 2023. Of this, £495,471 (2022: £746,679) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £1,313,290 (2022 - £1,313,290) comprises funds represented by a property classified as programme related investment.

The trustees have designated an amount of £1,500,000 as a Sisters' retirement fund (2022: £1,400,000).

Funds which are available as free reserves i.e. those unrestricted funds not designated for specific purposes or otherwise committed, are shown on the balance sheet as general funds and amount to £1,434,267 (2022: £431,081). It is the trustees' aim to ensure that sufficient funds are generated to be able to provide a proper level of care for sisters of all ages as they need it.

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to cover approximately two year's on-going expenditure and to provide for contingencies and unevenness in future income.

At the date of the balance sheet, the trustees consider that the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the current macroeconomic and geopolitical environment.

Future plans

The trustees do not anticipate any significant changes to the charity or its objectives over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ Ensuring all members of the Order receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Order to continue with their individual ministries, as far as they are able, given their limitations of age and health;
- ◆ Selling the charity's property currently used as a community house once the property becomes surplus to requirements; and
- ◆ Paying due heed to the current macroeconomic and geopolitical environment and its consequences, both socially and economically.

The trustees are united in their concern for the overall health and wellbeing of each of the members of the Delegation. They are equally concerned that the members be supported and encouraged to live to the full the Mission of the Order to which each one has professed.

Governance, structure and management

Governance

In terms of Canon law, the Order is governed at an international level by the Superior General and her team in Rome. The Superior General is elected every six years by the members of the Order at the General Chapter and she appoints the General Team from the names put forward by the General Chapter.

During the year, the charity had five trustees including the Territorial Delegate. The power of appointing new trustees rests with the Territorial Delegate, with the approval of the Superior General.

In terms of Civil law, the charity is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number: 1173559). As all trustees are members of the Order, they have a detailed knowledge of the work of the charity and of its structures. On being appointed, new trustees are required to spend some time with those leaving office, to receive a briefing on their responsibilities and the current position of the charity. They also meet with the Order's legal and accounting advisers during the course of a day to obtain a full briefing of their responsibilities and the charity's position. On-going in-service training takes place during the mandate.

Trustees

The charity's Constitution states that there must be at least three charity trustees and no more than nine trustees.

In selecting new individuals for appointment as trustees, the Territorial Delegate has regard to the skills, knowledge and experience needed for the effective administration of the charity.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review all aspects regarding the charity and its activities, to plan and make relevant decisions for the future. When necessary, the trustees seek advice and support from the charity's professional advisers, including solicitors and accountants. The day to day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the Order.

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).

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles 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);
- ♦ make judgments 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;
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the 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.

Three of the trustees are members of the Delegation of England and their living and personal expenses are borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

Liability of the member

The Territorial Delegate is the sole member of the CIO.

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

Governance, structure and management (continued)

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Order and the charity currently face and have reviewed the measures already in place to deal with them.

The charity's principal assets include listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by a reputable investment manager who adheres to a policy agreed by the trustees. The investment strategy will be assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future. In the aftermath of the Covid-19 pandemic and given the current macroeconomic and geopolitical environment, the trustees will continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long-term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

The areas identified for particular attention within the charity's risk management strategy are:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputational
- ◆ Laws

Governance and management: looks at the risk of the Order, and hence the charity, of the skills and training of its members, and the good use of its resources.

An analysis of the age profile of the sisters shows that the average age at 31 December 2023 was 82 years. The trustees are aware that there is both a moral and legal obligation to care for the sisters. None of the sisters have resources of their own as all earnings, pensions and any 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 future 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 the ministries and needs of individual sisters, identifying those who need extra care and help.

Governance, structure and management (continued)

Risk management (continued)

Another major risk associated with the decline in the number of vocations of the Order and increasing average age of the membership, is that the charity would not be able to continue to be involved directly with the school in ensuring that the Charism of the school is maintained. In order to mitigate the major risk, sisters from the International Order, with educational experience, have become involved so that the charity is able to continue to fulfil its mission in the United Kingdom in the future.

Operational: looks at the risks inherent in the activities of the charity.

The trustees recognise the absolute necessity of ensuring the protection and safety of all whom the charity serve. This means that all sisters who are in any kind of ministry have obtained clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Standards Agency (CSSA).

The activities of the charity involve working with children and with adults who may need help at particularly vulnerable moments in life.

Financial: looks at risks including those arising as a result of poor budgetary control, poor accounting and poor financial controls.

Reputational: looks at possible damage to the Order's and hence the charity's reputation.

Laws, regulations, external and environment: looks at the effect of government policies and the consequences of non-compliance with laws and regulations in so far as they are applicable to the Order's activities.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced, they have established effective systems to mitigate those risks.

Members of the Order

The members of the Order continue to give unsparing service and dedication to all the Order's works and the trustees wish to record their appreciation.

Signed on behalf of the trustees:



Patricia Grady ODN

Approved by the trustees on: 5th Oct 2024

Independent auditor's report to the trustees of Order of the Company of Mary Our Lady CIO

Opinion

We have audited the accounts of Order of the Company of Mary Our Lady CIO the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statements of cash flows principal accounting policies and the 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 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report 31 December 2023

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

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

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:

How the audit was considered capable of detecting irregularities including fraud

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 identified the laws and regulations applicable to the charity through discussions with representatives from the trustees, and from our knowledge and experience of the charity sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and reviewed minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested and reviewed journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure including the authorisation thereof;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

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

How the audit was considered capable of detecting irregularities including fraud (continued)

- ♦ investigated the rationale behind significant or unusual transactions.

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

- ♦ agreeing accounts disclosures to underlying supporting documentation;
- ♦ reading the minutes of meetings of trustees; and
- ♦ enquiring of representatives from the trustees as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 11 October 2024

Statement of financial activities Year to 31 December 2023

	Notes	2023 £	2022 £
Income from:			
Donations and legacies	1	130,159	125,807
Investments and interest receivable	2	226,688	188,988
Other income			
. Surplus on disposal of tangible fixed assets	9	616,738	570
Total income		973,585	315,365
Expenditure on:			
Cost of raising funds - Investment manager's fees		15,423	8,079
Charitable activities	3	130,900	161,462
. Programme related investments	4	21,291	1,800
. Grants and donations	5	25,357	16,858
Total expenditure		192,971	188,199
Net income before net investment gains (losses)	7	780,614	127,166
Net gains (losses) on investment assets		71,364	(85,319)
Net movement in funds		851,978	41,847
Reconciliation of funds:			
Funds brought forward at 1 January 2023		3,891,050	3,849,203
Funds carried forward at 31 December 2023		4,743,028	3,891,050

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

All activities of the charity derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		495,471		746,679
Programme related investments	10		1,313,290		1,313,290
Listed investments	11		1,925,774		961,615
			<u>3,734,535</u>		<u>3,021,584</u>
Current assets					
Debtors	12	1,474		9,940	
Cash at bank and in hand		<u>1,052,456</u>		<u>900,894</u>	
		1,053,930		910,834	
Creditors: amounts falling due within one year	13	<u>(45,437)</u>		<u>(41,368)</u>	
Net current assets			<u>1,008,493</u>		<u>869,466</u>
Total net assets			<u>4,743,028</u>		<u>3,891,050</u>
The funds of the charity:					
Unrestricted funds					
. Tangible fixed assets fund	14		495,471		746,679
. Programme related investment fund	15		1,313,290		1,313,290
. Designated fund	16		1,500,000		1,400,000
. General funds			<u>1,434,267</u>		<u>431,081</u>
			<u>4,743,028</u>		<u>3,891,050</u>

Approved by the trustees and signed
on their behalf by:

Patricia Grady

Trustee
Patricia Grady

Approved by the trustees on:

5th Oct. 2024

Statement of cash flows Year to 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities		(43,035)	(58,915)
	A		
Cash flows from investing activities:			
Investment income and interest received		226,403	188,535
Purchase of investments		(981,784)	(116,792)
Proceeds from the disposal of listed investments		85,906	36,454
Purchase of tangible fixed assets		(14,260)	(2,574)
Proceeds from the disposal of tangible fixed assets		875,250	570
Net cash provided by investing activities		191,515	106,193
Change in cash and cash equivalents in the year		148,480	47,278
	B		
Cash and cash equivalents at 1 January 2023		1,015,116	967,838
Cash and cash equivalents at 31 December 2023	B	1,163,596	1,015,116

Notes to the statement of cash flows for the year to 31 December 2023

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

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	851,978	41,847
Adjustments for:		
Depreciation charge	6,956	3,795
(Gains) losses on listed investments	(71,364)	85,319
Investment income and interest receivable	(226,688)	(188,988)
Decrease (increase) in debtors	8,752	(9,184)
Increase in creditors	4,069	8,866
Surplus on disposal of tangible fixed assets	(616,738)	(570)
Net cash used in operating activities	(43,035)	(58,915)

B Analysis of cash and cash equivalents

	At 1 December 2022 £	Cash flows £	At 31 December 2023 £
Total cash and cash equivalents:			
Cash at bank and in hand	900,894	151,562	1,052,456
Cash held by investment managers	114,222	(3,082)	111,140
Total cash and cash equivalents	1,015,116	148,480	1,163,596

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 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

These accounts have been prepared for the year to 31 December 2023, with comparative information given in respect to the year to 31 December 2022.

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

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

- ♦ estimating the useful economic life of tangible fixed assets for the purpose of calculating the depreciation charge;
- ♦ determining the value of designated funds including the determination of the assumptions made in determining the value of the retirement fund; and
- ♦ estimating the future income and expenditure flows of the charity 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 will continue to keep both income and expenditure under review. 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.

The trustees will continue to communicate with their investment manager, Rathbones Investment Management, and, whilst there are concerns over the volatility in world stock markets given the current macroeconomic and geopolitical environment, they acknowledge also that the charity is a long term investor.

Assessment of going concern (continued)

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 2024, 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).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from the charity's programme related investment, bank interest receivable, investment income, the surplus on disposal of tangible fixed assets and other income.

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 pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation 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.

Donated goods provided to the charity as gifts in kind are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the goods are provided to the charity. An equivalent amount is included as expenditure or capitalised if the goods represent a tangible fixed asset. Donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the goods of equivalent economic benefit on the open market.

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

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.

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

Income from programme related investments comprises rental income from a property used by another registered charity for purposes consistent with the objects of the Order, and is recognised when due under the lease arrangements with the entity. Income is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

Income recognition (continued)

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

Expenditure recognition

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 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 on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:

- ◆ Expenditure on the support of members of the Order and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Order.
- ◆ Expenditure on programme related investments.
- ◆ Grants and donations to support the Order's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.

Charitable donations are made where the trustees consider there is real need following a review of the details of each particular case. Donations are included in the statement of financial activities when approved for payment. Provision is made for donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

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.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Order as any governance costs in relation to the provision of donations and grants is considered to be negligible.

Tangible fixed assets

- ◆ **Freehold land and buildings**

The charity's land and buildings represent non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. They are stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made.

- ◆ **Furniture and equipment**

All items of furniture and equipment or groups of such assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised and are depreciated over a ten year period on a straight line basis.

In some circumstances, the charity will capitalise a group of assets individually costing less than £1,000 where these are interdependent components of a grouped asset with a value exceeding £1,000.

Fully depreciated items are eliminated in the year following the year in which they are fully depreciated.

- ◆ **Motor vehicles**

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Programme related investment

Programme related investment includes land and buildings owned by the charity but used by Notre Dame School, Cobham for purposes consistent with the charity's objectives. The programme related investment is included in the accounts at cost.

Listed 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.

Listed investments (continued)

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

As noted above 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.

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.

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 funds of the charity comprise unrestricted funds available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds are amounts representing tangible fixed assets, programme related investments and amounts which the trustees have designated for specific purposes. Details of these are provided in the notes to the accounts.

Services provided by members

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

1 Income from: donations

	2023 £	2022 £
Salaries and pensions of individual religious received under Gift Aid compliant deeds of covenant	126,934	121,953
General donations	3,225	3,854
	130,159	125,807

2 Income from: Investments and interest receivable

	2023 £	2022 £
Bank interest	372	25
Dividends and interest from listed investments	44,797	20,811
Income from programme related investments		
. Rental income	181,519	168,152
	226,688	188,988

3 Expenditure on: support of members of the Order and their ministry

	2023 £	2022 £
Premises	20,675	29,280
Sisters' living and personal expenses	32,193	32,485
Nursing care and medical costs	42,885	66,116
Funeral costs	5,838	5,443
Formation and spiritual renovation	1,476	2,322
Depreciation	6,956	3,795
Support costs		
. Governance costs – legal and professional fees	15,411	14,220
. Other costs	5,466	7,801
	130,900	161,462

4 Expenditure on: Programme related investments

	2023 £	2022 £
Legal and professional fees	21,291	3,300

5 Expenditure on: Charitable donations

Donations during the year comprised:

	2023 £	2022 £
<i>Donations to institutions:</i>	23,620	13,600
Generalate of the Order of the Company of Mary Our Lady	650	2,400
. Annual contribution to support the Generalate		
Salesians of Don Bosco (Ukraine crisis)		
<i>Donations to individuals:</i>		
Stipends and other gifts	1,087	858
	25,357	16,858

6 Staff costs, key management personnel and trustees' remuneration

The charity does not employ any staff (2022: none). No employee earned £60,000 per annum or more (including taxable benefits) during the year (2022: none).

The trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

As members of the Order, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2022: £nil).

7 Net income and net movement in funds

This is stated after charging:

	2023 £	2022 £
Auditor's remuneration		
.. Statutory audit services:		
.. Current year	9,750	9,360
.. Previous year	—	360
Depreciation	6,956	3,795

8 Taxation

The Order of the Company of Mary Our Lady CIO 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.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2023	722,999	35,448	28,456	786,903
Additions	—	1,020	13,240	14,260
Disposals	(258,512)	—	(8,575)	(267,087)
At 31 December 2023	<u>464,487</u>	<u>36,468</u>	<u>33,121</u>	<u>534,076</u>
Depreciation				
At 1 January 2023	—	11,771	28,453	40,224
Disposals	—	—	(8,575)	(8,575)
Charge for the year	—	3,646	3,310	6,956
At 31 December 2023	<u>—</u>	<u>15,417</u>	<u>23,188</u>	<u>38,605</u>
Net book values				
At 31 December 2023	<u>464,487</u>	<u>21,051</u>	<u>9,933</u>	<u>495,471</u>
At 31 December 2022	<u>722,999</u>	<u>23,677</u>	<u>3</u>	<u>746,679</u>

During the year, the charity sold its property at 48 Churchfield Road, Walton, realising gross disposal proceeds of £875,000. This resulted in a gain on the disposal of the property of £616,488 (2022 – £nil). Gains on the disposal of motor vehicles amounted to £250 (2022 – £570), resulting in total gains on the disposal of tangible fixed assets of £616,738 (2022 – £570).

10 Programme related investments

The programme related investment represents the charity's share of the land and buildings used by Notre Dame School, Cobham, and owned jointly by the charity and Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)).

The charity and the school have entered into a Declaration of Trust dated 20 August 2003 to formalise the manner in which the school property may be dealt with.

The charity leases the land and buildings situated at Burwood House, Convent Lane, Cobham KT11 1HA, to Notre Dame School under a 999 lease term which commenced on 1 September 2002. During 2021, the terms of the lease were reviewed and with effect from 1 September 2022 the annual rental was increased from £163,360 to £177,736. Under the terms of the lease, the school may cancel the lease at any time by giving the charity twelve months' written notice.

Notes to the accounts 31 December 2023

11 Listed investments

	2023 £	2022 £
Listed investments		
Fair (market) value at 1 January 2023	847,393	852,374
Additions at cost	981,784	116,792
Disposals at book value	(88,714)	(45,756)
Net unrealised gains (losses)	74,171	(76,017)
Fair (market) value at 31 December 2023	1,814,634	847,393
Cash held by investment managers	111,140	114,222
	1,925,774	961,615
Cost of listed investments at 31 December 2023	1,769,751	892,995

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

	2023 £	2022 £
Proceeds	85,906	36,454
Net realised losses	2,808	9,302
Disposals at book value	88,714	45,756

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

Listed investments held at 31 December 2023 comprised the following:

	2023 £	2022 £
UK fixed interest	509,550	98,492
UK equities	354,603	339,165
Overseas fixed interest	52,663	28,021
Overseas equities	897,818	381,715
	1,814,634	847,393

At 31 December 2023 there were no listed investments deemed material when compared to the overall portfolio valuation as at that date.

12. Debtors

	2023 £	2022 £
Investment income receivable	1,042	756
Prepayments and accrued income	432	9,184
	<u>1,474</u>	<u>9,940</u>

13. Creditors: amounts falling due within one year

	2023 £	2022 £
Expenses creditor	—	9,360
Accruals	30,437	17,508
Donations payable to the Generalate of the Order of the Company of Mary Our Lady	15,000	14,500
	<u>45,437</u>	<u>41,368</u>

14 Tangible fixed assets fund

	2023 £	2022 £
At 1 January 2023	746,679	747,900
Net movement in year	(251,208)	(1,221)
At 31 December 2023	<u>495,471</u>	<u>746,679</u>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds 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.

15 Programme related investment fund

The programme related investment fund represents the book value of the charity's programme related investment at 31 December 2023 and 31 December 2022. There has been no movement in the value since 1 January 2020.

16 Designated fund – retirement reserve

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

	2023 £	2022 £
Retirement fund		
At 1 January 2023	1,400,000	1,300,000
Designated in the year	100,000	100,000
At 31 December 2023	<u>1,500,000</u>	<u>1,400,000</u>

The Sisters' retirement fund has been established during the year by the charity's trustees to provide for the future costs of providing care for elderly sisters who have dedicated their working lives to the charity.

17 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2023 £
Fund balances at 31 December 2023 are represented by:					
Tangible fixed assets	—	495,471	—	—	495,471
Listed Investments	425,774	—	—	1,500,000	1,925,774
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	1,008,493	—	—	—	1,008,493
	<u>1,434,267</u>	<u>495,471</u>	<u>1,313,290</u>	<u>1,500,000</u>	<u>4,743,028</u>

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2022 £
Fund balances at 31 December 2022 are represented by:					
Tangible fixed assets	—	746,679	—	—	746,679
Listed investment	—	—	—	961,615	961,615
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	431,081	—	—	438,385	869,466
	<u>431,081</u>	<u>746,679</u>	<u>1,313,290</u>	<u>1,400,000</u>	<u>3,891,050</u>

The funds of the charity include unrealised gains as follows:

	2023 £	2022 £
Total unrealised gains/(losses):		
On investments	44,883	(45,602)
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2023	(45,602)	32,168
In respect to disposals in year	16,314	(1,753)
Net gains (losses) arising on revaluation in the year	74,171	(76,017)
Unrealised gains at 31 December 2023	<u>44,883</u>	<u>(45,602)</u>

18. Transactions with trustees and other related party transactions

Several of the charity's trustees are also trustees of Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)) (the school). The school pays rent to the charity for the use of certain of the school property. The charity received rent of £181,519 during the year (2022: £168,152).

The charity occupies a portion of the said school property under a sub-lease, for which it pays an annual peppercorn rent.

The charity reimburses costs in relation to insurance and other expenses paid by the Notre Dame School on behalf of the charity. £2,865 was reimbursed during the year (2022: £5,555) of which £2,865 (2022: £nil) remained to be paid as at 31 December 2023.

The charity is connected to ODNs COBHAM OUTREACH (Charity Registration Number 1174655) (ODNs) by virtue of the fact that there are three trustees in common. The charity dispenses costs in relation to travel and other expenses on behalf of ODNs. These expenses are fully reimbursed by ODNs. The amounts reimbursed during the year amounted to £14 (2022: £nil).

As members of the Order, none of the trustees who are members of the Delegation of England 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. During the year, the total amount donated by the trustees to the charity was £67,529 (2022: £62,644).

There were no other related party transactions during the year which require disclosure (2022: none).

19. Ultimate control and liability of the member

The charity is controlled by the Territorial Delegate who is the sole member of the CIO.

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

ORDER OF THE COMPANY OF MARY OUR LADY CIO

England & Wales - Charity number 1173559

Accounts

Order of the Company of Mary Our Lady CIO

Annual Report and Accounts

31 December 2022

Charity Registration Number
1173559

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2
Independent auditor's report	11

Accounts

Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Principal accounting policies	18
Notes to the accounts	23

Reference and administrative details of the charity, its trustees and advisers

Trustees	Sister Anne Bayley ODN Sister Maria Nieves Escalada Gallego ODN Sister Anne Gill ODN Sister Patricia Grady ODN Sister María Rita Calvo Sanz ODN (appointed 2 February 2022) Sister Ernestine Velarde ODN (retired 2 February 2022)
Territorial Delegate	Sister Patricia Grady ODN
Principal address	Lestonnac 27-29 Between Streets Cobham Surrey KT11 1AA
Charity registration number	1173559
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays UK plc 8-12 Church Street Walton on Thames Surrey KT12 2QX
Solicitors	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG
Investment managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

The trustees present their report and the accounts of the Order of the Company of Mary Our Lady CIO (the charity) for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 22 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction

The Sisters of the Company of Mary Our Lady (the Order) are the members of an international Roman Catholic religious order founded by Jeanne de Lestonnac (1556-1640) in France in 1607. The Order's mission is education, focused on the person in all their uniqueness.

The Order is divided into a number of separate Provinces and Delegations. The Delegation of England is administered by the Territorial Delegate together with a Council consisting of two other members. The Territorial Delegate and Council are appointed by the Superior General, after consultation with the sisters of the Delegation of England, for a term of three years, renewable for up to nine years.

The accounts accompanying this report are the accounts of the charitable incorporated organisation (CIO) which administers the assets of the Order in England. The CIO is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number 1173559).

Mission

The principal objective of the charity, as set out in its Constitution, is to advance the religious and other charitable work undertaken by the Order and its members (the sisters) in England.

The principal work with which the sisters are involved concerns the provision of education together with social and pastoral care in the wider community.

By supporting and caring for the individual members throughout their lives within the Order, the charity aims to enable and support the sisters in living out their faith and serving other people, keeping in mind both the most urgent contemporary needs and present capacities of the sisters.

When setting the aims, planning the work of the charity and encouraging the work of individual members of the Order, the trustees give careful consideration to the Charity Commission's general guidance on public benefit.

Activities, specific objectives and relevant policies

Caring for members of the Order

The Delegation in England has six members, the majority of whom have given their working lives to the charitable activities of the Order, and any earnings are covenanted to the charity. In common with many religious congregations in Britain, the age profile of the members of the Delegation is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 81.

The Delegation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education. As the age profile of the Delegation increases so too does the need to provide care for the sisters.

Over the next decade, the trustees expect the number of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Delegation, the property requirements of the Delegation and the financial implications.

Education

In 2002, the education assets of the charity were transferred to the related charity, Notre Dame School, Cobham (Charity Registration Number 1081875). This charity continues to operate Notre Dame School, Cobham, a school providing education and consisting of a Preparatory and Senior School.

Through the sisters who are members of the Board of Governors of Notre Dame School, Cobham, the Order continues to ensure that its ethos and educational philosophy is maintained in the school in a manner consistent with the original aims and spirit of the school when run by the Order. There is a sister from the USA and a sister from Spain on the Board of Governors, who will be replaced when the occasion arises with other sisters from overseas, to ensure the continued support of the Order for the School.

The trustees of the charity continue to be actively involved with the school as Governors, members of committees and serve also in an advisory capacity.

To promote the ethos of the school and raise awareness of the Order's spiritual, educational and cultural heritage, the sisters lead an annual pilgrimage of a group of governors and staff to Bordeaux. This is where the Order was founded in 1607 by St Jeanne de Lestonnac, the niece of the French essayist Michel de Montaigne, for the education of girls.

The Order also provides opportunities for staff and Governors of the school to participate in its own international education conferences and meetings which are run by the Order every three to five years. Sisters from the Delegation of England assist with translation services, both written and simultaneous, for these meetings. The meetings help to integrate Notre Dame School, Cobham into the Order's international network of schools and educational centres.

Activities, specific objectives and relevant policies (continued)

Education (continued)

Three of the trustees are involved with a connected charity, ODNs COBHAM OUTREACH CIO (Charity Registration Number 1174655), to make known the work of the international Order and raise awareness in the school and the local parish of the needs of women and children in poorer parts of the world. Moreover, this provides an opportunity for the pupils of Notre Dame School to stretch out a helping hand in accordance with the School's ethos, as well as channelling some of their charity fundraising.

The sisters also organise other opportunities for language exchanges and voluntary work for pupils on an individual basis. One sister provides aftercare for pupils of Notre Dame School at the end of the school day.

Social and pastoral care

The members of the Order also continue to be active in parish activities. The sisters undertake work in the local community giving religious and material assistance to those in need (both Roman Catholic and from the wider public). Their work involves pastoral activities and organising religious instruction for children, young people and also adults; as well as home and hospital visits.

Grants and donations policy

Whilst the trustees agree to support 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.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity does not actively fundraise. 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. However, the trustees have requested that the investment managers do not invest in any company whose primary business is concerned with the manufacture of armaments, tobacco, alcohol or any products which would be used in connection with contraception or abortion or whose primary business entails labour exploitation. The trustees have delegated discretionary powers of management to Rathbone Investment Management Limited. The portfolio is managed with a view to producing a balance between income and capital returns.

Financial review for the year

Results for the year

A summary of the year's results is set out on page 15 of the attached accounts.

During the year to 31 December 2022, income amounted to £315,365. Of this, £125,807 (2021: £233,693) comprised donations including £121,953 (2021: £114,537) being the pensions receivable by members of the Order and donated to the charity under Gift Aid compliant Deeds of Covenant. Income received in 2021 included legacies of £115,656. The charity received investment income of £188,988 (2021: £166,260). Included within this is income from listed investments of £20,811 (2021: £5,118) and rents receivable in respect to property leased to Notre Dame School, Cobham of £168,152 (2021: £161,123).

During the year, the charity incurred expenditure of £188,199 (2020: £244,699). Expenditure for maintaining the members of the Order and enabling them to carry out their charitable work amounted to £161,462 (2021: £111,109). Donations paid during the year totalled £16,858 (2021: £129,284). Further details of donations are given in note 5 to the attached accounts. Costs of raising funds represents investment management fees and amounted to £8,079 (£4,306).

The overall net income for the year amounted to £127,166 (2021: £155,254). Investment losses were £85,319 (2021: gains £32,172) resulting in net movement of funds of £41,847 (2021: £187,426).

Investment performance

The charity has a portfolio of investments with a market value at 31 December 2022 of £961,615 (2021: £1,034,854) including cash awaiting investment of £114,222 (£182,480).

During the year, the charity's investments achieved an income yield of 2.4% and a negative capital yield of 10%. The performance of the portfolio reflected the condition of the markets generally throughout the period. The investment managers invested in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 11 to the attached accounts. The trustees take a long term view regarding investment strategy and believe their policy remains appropriate.

Financial position and reserves policy

The balance sheet shows total funds of £3,891,050 at 31 December 2022. Of this, £746,679 (2021: £747,900) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £1,313,290 (2021: £1,313,290) comprises funds represented by a property classified as programme related investment.

The trustees initially designated an amount of £1,100,000 in 2019 to establish a sisters' retirement fund. They designated a further £100,000 in 2020 and, in the current year, a further £100,000 has been set aside giving the fund a value of £1,400,000 (2021: £1,300,000). In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is insufficient. However, it is hoped that further sums can be designated in 2023 as further sums become available following the sale of one of the charity's freehold properties subsequent to the year-end (note 9).

Financial review for the year (continued)

Financial position and reserves policy

Funds which are available as free reserves i.e. those unrestricted funds not designated for specific purposes or otherwise committed, are shown on the balance sheet as general funds and amount to £431,081 (2021: £488,013). It is the trustees' aim to ensure that sufficient funds are generated to be able to provide a proper level of care for sisters of all ages as they need it.

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to cover approximately two year's on-going expenditure and to provide for contingencies and unevenness in future income.

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive. In particular, the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the current macroeconomic and geopolitical environment.

Future plans

The trustees do not anticipate any significant changes to the charity or its objectives over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ Ensuring all members of the Order receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Order to continue with their individual ministries, as far as they are able, given their limitations of age and health;
- ◆ Selling the charity's property currently used as a community house once the property becomes surplus to requirements; and
- ◆ Paying due heed to the current macroeconomic and geopolitical environment and its consequences, both socially and economically.

The trustees are united in their concern for the overall health and wellbeing of each of the members of the Delegation. They are equally concerned that the members be supported and encouraged to live to the full the Mission of the Order to which each one has professed.

Governance, structure and management

Governance

In terms of Canon law, the Order is governed at an international level by the Superior General and her team in Rome. The Superior General is elected every six years by the members of the Order at the General Chapter and she appoints the General Team from the names put forward by the General Chapter.

During the year, the charity had five trustees including the Territorial Delegate. The power of appointing new trustees rests with the Territorial Delegate, with the approval of the Superior General.

Governance, structure and management (continued)

Governance (continued)

In terms of Civil law, the charity is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number: 1173559). As all trustees are members of the Order, they have a detailed knowledge of the work of the charity and of its structures. On being appointed, new trustees are required to spend some time with those leaving office, to receive a briefing on their responsibilities and the current position of the charity. They also meet with the Order's legal and accounting advisers during the course of a day to obtain a full briefing of their responsibilities and the charity's position. On-going in-service training takes place during the mandate.

Trustees

The charity's Constitution states that there must be at least three charity trustees and no more than nine trustees.

In selecting new individuals for appointment as trustees, the Territorial Delegate has regard to the skills, knowledge and experience needed for the effective administration of the charity.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review all aspects regarding the charity and its activities, to plan and make relevant decisions for the future. When necessary, the trustees seek advice and support from the charity's professional advisers, including solicitors and accountants. The day to day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the Order.

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 period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles 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);
- ◆ make judgments and estimates that are reasonable and prudent;

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the 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.

Three of the trustees are members of the Delegation of England and their living and personal expenses are borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

Liability of the member

The Territorial Delegate is the sole member of the CIO.

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

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Order and the charity currently face and have reviewed the measures already in place to deal with them.

The charity's principal assets include listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by a reputable investment manager who adheres to a policy agreed by the trustees. The investment strategy will be assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future. Given the current macroeconomic and geopolitical environment, the trustees will continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

Governance, structure and management (continued)

Risk management (continued)

The areas identified for particular attention within the charity's risk management strategy are:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputational
- ◆ Laws

Governance and management: looks at the risk of the Order, and hence the charity, of the skills and training of its members, and the good use of its resources.

An analysis of the age profile of the sisters shows that the average age at 31 December 2022 was 81 years. The trustees are aware that there is both a moral and legal obligation to care for the sisters. None of the sisters have resources of their own as all earnings, pensions and any 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 future 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 the ministries and needs of individual sisters - identifying those who need extra care and help.

Another major risk associated with the decline in the number of vocations of the Order and increasing average age of the membership, is that the charity would not be able to continue to be involved directly with the school in ensuring that the Charism of the school is maintained. In order to mitigate the major risk, sisters from the International Order, with educational experience, have become involved so that the charity is able to continue to fulfil its mission in the United Kingdom in the future.

Operational: looks at the risks inherent in the activities of the charity.

The trustees recognise the absolute necessity of ensuring the protection and safety of all whom the charity serve. This means that all sisters who are in any kind of ministry have obtained clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Standards Agency (CSSA).

The activities of the charity involve working with children and with adults who may need help at particularly vulnerable moments in life.

Governance, structure and management (continued)

Risk management (continued)

Financial: looks at risks including those arising as a result of poor budgetary control, poor accounting and poor financial controls.

Reputational: looks at possible damage to the Order's and hence the charity's reputation.

Laws, regulations, external and environment: looks at the effect of government policies and the consequences of non-compliance with laws and regulations in so far as they are applicable to the Order's activities.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced, they have established effective systems to mitigate those risks.

Members of the Order

The members of the Order continue to give unsparing service and dedication to all the Order's works and the trustees wish to record their appreciation.

Signed on behalf of the trustees:

Patricia Grady ODN

Approved by the trustees on: 14 October 2023

Independent auditor's report to the trustees of the Order of the Company of Mary Our Lady CIO

Opinion

We have audited the accounts of the Order of the Company of Mary Our Lady CIO (the 'charity') for the year ended 31 December 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 31 December 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)

How the audit was considered capable of detecting irregularities including fraud

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 identified the laws and regulations applicable to the charity through discussions with representatives from the trustees, and from our knowledge and experience of the charity sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and reviewed minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested and reviewed journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure including the authorisation thereof;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ investigated the rationale behind significant or unusual transactions.

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

How the audit was considered capable of detecting irregularities including fraud (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:

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of trustees; and
- ◆ enquiring of representatives from the trustees 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 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 145 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

18 October 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 31 December 2022

	Notes	2022 £	2021 £
Income from:			
Donations and legacies	1	125,807	233,693
Investments and interest receivable	2	188,988	166,260
Other income			
. Surplus on disposal of tangible fixed assets		570	—
Total income		315,365	399,953
Expenditure on:			
Cost of raising funds – Investment manager's fees		8,079	4,306
Charitable activities			
. Support of members of the Order and their ministry	3	161,462	111,109
. Programme related investments	4	1,800	—
. Grants and donations	5	16,858	129,284
Total expenditure		188,199	244,699
Net income before net investment gains	7	127,166	155,254
Net (losses) gains on investment assets		(85,319)	32,172
Net movement in funds		41,847	187,426
Reconciliation of funds:			
Funds brought forward at 1 January 2022		3,849,203	3,661,777
Funds carried forward at 31 December 2022		3,891,050	3,849,203

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

All activities of the charity derived from continuing operations during the above two financial periods.

Income in 2021 includes £300 received during the year for specific purposes. The donation was applied for these purposes fully that year and the expenditure is included in the comparatives above. All income received in 2022 was unrestricted.

Balance sheet 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	9		746,679		747,900
Programme related Investments	10		1,313,290		1,313,290
Listed investments	11		961,615		1,034,854
			3,021,584		3,096,044
Current assets					
Debtors	12	9,940		303	
Cash at bank and in hand		900,894		785,358	
		910,834		785,661	
Creditors: amounts falling due within one year	13	(41,368)		(32,502)	
Net current assets			869,466		753,159
Total net assets			3,891,050		3,849,203
The funds of the charity:					
Unrestricted funds					
. Tangible fixed assets fund	14		746,679		747,900
. Programme related investment fund	15		1,313,290		1,313,290
. Designated fund	16		1,400,000		1,300,000
. General funds			431,081		488,013
			3,891,050		3,849,203

Approved by the trustees and signed
on their behalf by:

Patricia Grady ODN

Trustee

Approved by the trustees on: 14 October 2023

Statement of cash flows Year to 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(58,915)	3,608
Cash flows from investing activities:			
Investment income and interest received		188,535	165,957
Purchase of investments		(116,792)	(820,587)
Proceeds from the disposal of listed investments		36,454	385
Purchase of tangible fixed assets		(2,574)	(12,446)
Proceeds from the disposal of tangible fixed assets		570	—
Net cash provided by (used in) investing activities		106,193	(666,691)
Change in cash and cash equivalents in the year		47,278	(663,083)
Cash and cash equivalents at 1 January 2022	B	967,838	1,630,921
Cash and cash equivalents at 31 December 2022	B	1,015,116	967,838

Notes to the statement of cash flows for the year to 31 December 2022.

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	41,847	187,426
Adjustments for:		
Depreciation charge	3,795	3,538
Losses (gains) on listed investments	85,319	(32,172)
Investment income and interest receivable	(188,988)	(166,260)
(Increase) decrease in debtors	(9,184)	3,001
Increase in creditors	8,866	8,075
Surplus on disposal of tangible fixed assets	(570)	—
Net cash (used in) provided by operating activities	(58,915)	3,608

B Analysis of cash and cash equivalents

	As at 31 December 2021 £	Cash flows £	As at 31 December 2022 £
Cash at bank and in hand	785,358	115,536	900,894
Cash held by investment managers	182,480	(68,258)	114,222
Total cash and cash equivalents	967,838	47,278	1,015,116

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

The 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 31 December 2022, with comparative information given in respect to the year to 31 December 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), 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 such judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of calculating the depreciation charge;
- ◆ determining the value of designated funds including the determination of the assumptions made in determining the value of the retirement fund; and
- ◆ estimating the future income and expenditure flows of the charity 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 will continue to keep both income and expenditure under review. 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.

Assessment of going concern (continued)

The trustees will continue to communicate with their investment manager, Rathbones Investment Management, and, whilst there are concerns over the volatility in world stock markets given the current macroeconomic and geopolitical environment, they acknowledge also that the charity is a long term investor.

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).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from the charity's programme related investment, bank interest receivable, investment income, the surplus on disposal of tangible fixed assets and other income.

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 pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation 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.

Donated goods provided to the charity as gifts in kind are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the goods are provided to the charity. An equivalent amount is included as expenditure or capitalised if the goods represent a tangible fixed asset. Donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the goods of equivalent economic benefit on the open market.

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

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.

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

Income recognition (continued)

Income from programme related investments comprises rental income from a property used by another registered charity for purposes consistent with the objects of the Order, and is recognised when due under the lease arrangements with the entity. Income is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

The surplus on the disposal of tangible fixed assets is calculated as the difference between the net book value of the assets immediately prior to disposal and the cost of disposal. The surplus is recognised when the disposal becomes contractual.

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 recognition

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 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 on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:

- ◆ Expenditure on the support of members of the Order and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Order.
- ◆ Expenditure on programme related investments.
- ◆ Grants and donations to support the Order's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.

Charitable donations are made where the trustees consider there is real need following a review of the details of each particular case. Donations are included in the statement of financial activities when approved for payment. Provision is made for donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

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.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Order as any governance costs in relation to the provision of donations and grants is considered to be negligible.

Tangible fixed assets

◆ Freehold land and buildings

The charity's land and buildings represent non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. They are stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made.

◆ Furniture and equipment

All items of furniture and equipment or groups of such assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised and are depreciated over a ten-year period on a straight line basis.

In some circumstances, the charity will capitalise a group of assets individually costing less than £1,000 where these are interdependent components of a grouped asset with a value exceeding £1,000.

Fully depreciated items are eliminated in the year following the year in which they are fully depreciated.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Programme related investments

Programme related investments include land and buildings owned by the charity but used by Notre Dame School, Cobham for purposes consistent with the charity's objectives. The land and buildings are included in the accounts at cost.

Listed 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.

Listed investments (continued)

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

As noted above 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.

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.

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 funds of the charity comprise unrestricted funds available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds are amounts representing tangible fixed assets, programme related investments and amounts which the trustees have designated for specific purposes. Details of these are provided in the notes to the accounts.

Services provided by members

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

1 Income from: donations

	2022 £	2021 £
Salaries and pensions of individual religious received under Gift Aid compliant deeds of covenant	121,953	114,537
Legacies receivable	—	115,656
General donations	3,854	3,500
	125,807	233,693

General donations in 2021 include £300 received during that year for specific purposes. The donation was applied for these purposes fully during 2021 and the expenditure is included in the comparatives figures above. All donations received in 2022 were unrestricted.

2 Income from: Investments and interest receivable

	2022 £	2021 £
Bank interest	25	19
Investment income receivable	20,811	5,118
Income from programme related investments		
. Rental income	168,152	161,123
	188,988	166,260

3 Expenditure on: support of members of the Order and their ministry

	2022 £	2021 £
Premises	29,280	28,162
Sisters' living and personal expenses	32,485	28,986
Nursing care and medical costs	66,116	20,169
Funeral and headstone costs	5,443	5,443
Formation and spiritual renovation	2,322	2,537
Depreciation	3,795	3,538
Support costs		
. Governance costs – legal and professional fees	14,220	15,086
. Other costs	7,801	7,188
	161,462	111,109

4 Expenditure on: Programme related investments

	2022 £	2021 £
Legal and professional fees	1,800	—

5 Expenditure on: Charitable donations

Donations during the year comprised:

	2022 £	2021 £
<i>Donations to institutions:</i>		
Generalate of the Order of the Company of Mary Our Lady		
. Annual contribution to support the Generalate	13,600	12,500
. Additional contribution to support the work of the Generalate	—	115,656
Salesians of Don Bosco UK (Ukraine crisis)	2,400	—
<i>Donations to individuals:</i>		
Stipends and other gifts	858	1,128
	16,858	129,284

6 Staff costs, key management personnel and trustees' remuneration

The charity does not employ any staff (2021 – none). No employee earned £60,000 per annum or more (including taxable benefits) during the year (2021: £60,000).

The trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

As members of the Order, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2021: £nil).

7 Net income and net movement in funds

This is stated after charging:

	2022 £	2021 £
Auditor's remuneration		
. Statutory audit services:		
.. Current year	9,360	9,000
.. Previous year	360	360
Depreciation	3,795	3,538

8 Taxation

The Order of the Company of Mary Our Lady CIO 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.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2022	722,999	32,874	28,456	784,329
Additions	—	2,574	—	2,574
At 31 December 2022	<u>722,999</u>	<u>35,448</u>	<u>28,456</u>	<u>786,903</u>
Depreciation				
At 1 January 2022	—	8,226	28,203	36,429
Charge for the year	—	3,545	250	3,795
At 31 December 2022	<u>—</u>	<u>11,771</u>	<u>28,453</u>	<u>40,224</u>
Net book values				
At 31 December 2022	<u>722,999</u>	<u>23,677</u>	<u>3</u>	<u>746,679</u>
At 31 December 2021	<u>722,999</u>	<u>24,648</u>	<u>253</u>	<u>747,900</u>

Post balance sheet event

Since the year end, the charity has sold freehold land and buildings which are included above at a net book value of £258,512. The gross proceeds from the sale totalled £875,000.

10 Programme related investments

The programme related investments represent the charity's share of the land and buildings used by Notre Dame School, Cobham. The land and buildings are owned jointly by the charity and Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)).

The charity and the school have entered into a Declaration of Trust dated 20 August 2003 to formalise the manner in which the school property may be dealt with.

The charity leases the land and buildings situated at Burwood House, Convent Lane, Cobham KT11 1HA, to Notre Dame School under a 999 lease term which commenced on 1 September 2002. During 2021, the terms of the lease were reviewed and the lease is being updated currently. Under the draft lease, with effect from 1 September 2022 the annual rental has been increased to £177,736 (2021: £163,360). Under the terms of both the existing and the draft lease, the school may cancel the lease at any time by giving the charity twelve months' written notice.

11 Listed investments

	2022 £	2021 £
Listed investments		
Fair (market) value at 1 January 2022	852,374	—
Additions at cost	116,792	820,587
Disposals at book value (see below)	(45,756)	(381)
Net unrealised (losses) gains	(76,017)	32,168
Fair (market) value at 31 December 2022	847,393	852,374
Cash held by investment managers	114,222	182,480
	961,615	1,034,854
Cost of listed investments at 31 December 2022	892,995	820,206

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

	2022 £	2021 £
Proceeds	36,454	385
Net realised losses (gains)	9,302	(4)
Disposals at book value	45,756	381

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

Listed investments held at 31 December 2022 comprised the following:

	2022 £	2021 £
UK fixed interest	98,492	95,492
UK equities	339,165	344,341
Overseas fixed interest	28,021	35,360
Overseas equities	381,715	377,181
	847,393	852,374

At 31 December 2022 there were no listed investments deemed material when compared to the overall portfolio valuation as at that date.

12 Debtors

	2022 £	2021 £
Investment income receivable	756	303
Prepayments and accrued income	9,184	—
	9,940	303

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Expense creditor	9,360	—
Accruals	17,507	20,002
Donations payable to the Generalate of the Order of the Company of Mary Our Lady	14,500	12,500
	41,367	32,502

14 Tangible fixed assets fund

	2022 £	2021 £
At 1 January 2022	747,900	738,992
Net movement in year	(1,221)	8,908
At 31 December 2022	746,679	747,900

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds 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.

15 Programme related investment fund

The programme related investment fund represents the book value of the charity's programme related investment at 31 December 2022 and 31 December 2021. There has been no movement in the value since 1 January 2020.

16 Designated fund – retirement reserve

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Retirement fund	2022 £	2021 £
At 1 January 2022	1,300,000	1,200,000
Designated in the year	100,000	100,000
At 31 December 2022	1,400,000	1,300,000

The sisters' retirement fund has been established during the year by the charity's trustees to provide for the future costs of providing care for elderly sisters who have dedicated their working lives to the charity.

17 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2022 £
Fund balances at 31 December 2022 are represented by:					
Tangible fixed assets	—	746,679	—	—	746,679
Listed investments	—	—	—	961,615	961,615
Programme related investments	—	—	1,313,290	—	1,313,290
Net current assets	431,081	—	—	438,385	869,466
	431,081	746,679	1,313,290	1,400,000	3,891,050

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2021 £
Fund balances at 31 December 2021 are represented by:					
Tangible fixed assets	—	747,900	—	—	747,900
Listed investments	—	—	—	1,034,854	1,034,854
Programme related investments	—	—	1,313,290	—	1,313,290
Net current assets	488,013	—	—	265,146	753,159
	488,013	747,900	1,313,290	1,300,000	3,849,203

The funds of the charity include unrealised gains as follows:

	2022 £	2021 £
Total unrealised (losses) gains:		
On investments	(45,602)	32,168
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2022	32,168	—
In respect to disposals in year	(1,753)	—
Net (losses) gains arising on revaluation in the year	(76017)	32,168
unrealised gains at 31 December 2022	(45,602)	32,168

17 Transactions with trustees and other related party transactions

Several of the charity's trustees are also trustees of Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)) (the school). The school pays rent to the charity for the use of certain of the school property. The charity received rent of £168,152 during the year (2021: £161,123).

The charity occupies a portion of the said school property under a sub-lease, for which it pays an annual peppercorn rent.

The charity reimburses costs in relation to insurance and other expenses paid by the Notre Dame School on behalf of the charity. £5,555 was reimbursed during the year (2021: £4,583) of which £nil (2021 - £4,583) remained to be paid as at 31 December.

The charity is connected to ODNs COBHAM OUTREACH (Charity Registration Number 1174655) (ODNs) by virtue of the fact that there are three trustees in common. The charity dispenses costs in relation to travel and other expenses on behalf of ODNs. These expenses are fully reimbursed by ODNs. The amounts reimbursed during the year amounted to £nil (2021 - £309).

As members of the Order, none of the trustees who are members of the Delegation of England 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. During the year, the total amount donated by the trustees to the charity was £62,644 (2021: £60,401).

There were no other related party transactions during the year which require disclosure (2021: none).

18 Ultimate control and liability of the member

The charity is controlled by the Territorial Delegate who is the sole member of the CIO.

If the CIO is wound up, the member of the CIO has no liability to contribute to its assets and no personal responsibility for setting its debts and liabilities.

ORDER OF THE COMPANY OF MARY OUR LADY CIO

England & Wales - Charity number 1173559

Accounts

Order of the Company of Mary Our Lady CIO

Annual Report and Accounts

31 December 2021

Charity Registration Number
1173559

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2
Independent auditor's report	11

Accounts

Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Principal accounting policies	19
Notes to the accounts	24

Reference and administrative details of the charity, its trustees and advisers

Trustees	Sister Anne Bayley ODN Sister Maria Nieves Escalada Gallego ODN Sister Anne Gill ODN Sister Patricia Grady ODN Maria Rita Calvo Sanz ODN (appointed 21 January 2022) Sister Ernestine Velarde ODN (retired 21 January 2022)
Territorial Delegate	Sister Patricia Grady ODN
Principal address	Lestonnac 27-29 Between Streets Cobham Surrey KT11 1AA
Charity registration number	1173559
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays UK plc 8-12 Church Street Walton on Thames Surrey KT12 2QX
Solicitors	Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG
Investment managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

The trustees present their report and the accounts of the Order of the Company of Mary Our Lady CIO (the charity) for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 19 to 23 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction

The Sisters of the Company of Mary Our Lady (the Order) are the members of an international Roman Catholic religious order founded by Jeanne de Lestonnac (1556-1640) in France in 1607. The Order's mission is education, focused on the person in all their uniqueness.

The Order is divided into a number of separate Provinces and Delegations. The Delegation of England is administered by the Territorial Delegate together with a Council consisting of two other members. The Territorial Delegate and Council are appointed by the Superior General, after consultation with the sisters of the Delegation of England, for a term of three years, renewable for up to nine years.

The accounts accompanying this report are the accounts of the charitable incorporated organisation (CIO) which administers the assets of the Order in England. The CIO is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number 1173559).

Mission

The principal objective of the charity, as set out in its Constitution, is to advance the religious and other charitable work undertaken by the Order and its members (the sisters) in England.

The principal work with which the sisters are involved concerns the provision of education together with social and pastoral care in the wider community.

By supporting and caring for the individual members throughout their lives within the Order, the charity aims to enable and support the sisters in living out their faith and serving other people, keeping in mind both the most urgent contemporary needs and present capacities of the sisters.

When setting the aims, planning the work of the charity and encouraging the work of individual members of the Order, the trustees give careful consideration to the Charity Commission's general guidance on public benefit.

Activities, specific objectives and relevant policies

Caring for members of the Order

The Delegation in England has six members, the majority of whom have given their working lives to the charitable activities of the Order, and any earnings are covenanted to the charity. In common with many religious congregations in Britain, the age profile of the members of the Delegation is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 80.

The Delegation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education. As the age profile of the Delegation increases so too does the need to provide care for the sisters.

Over the next decade, the trustees expect the number of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Delegation, the property requirements of the Delegation and the financial implications.

Education

In 2002, the education assets of the charity were transferred to the related charity, Notre Dame School, Cobham (Charity Registration Number 1081875). This charity continues to operate Notre Dame School, Cobham, a school providing education and consisting of a Preparatory and Senior School.

Through the sisters who are members of the Board of Governors of Notre Dame School, Cobham, the Order continues to ensure that its ethos and educational philosophy is maintained in the school in a manner consistent with the original aims and spirit of the school when run by the Order. There is a Sister from the USA and a Sister from Spain on the Board of Governors, who will be replaced when the occasion arises with other sisters from overseas, to ensure the continued support of the Order for the School.

The trustees of the charity continue to be actively involved with the school as Governors, members of committees and serve also in an advisory capacity.

To promote the ethos of the school and raise awareness of the Order's spiritual, educational and cultural heritage, the sisters lead an annual pilgrimage of a group of governors and staff to Bordeaux. This is where the Order was founded in 1607 by St Jeanne de Lestonnac, the niece of the French essayist Michel de Montaigne, for the education of girls.

The Order also provides opportunities for staff and Governors of the school to participate in its own international education conferences and meetings which are run by the Order every three to five years. Sisters from the Delegation of England assist with translation services, both written and simultaneous, for these meetings. The meetings help to integrate Notre Dame School, Cobham into the Order's international network of schools and educational centres.

Activities, specific objectives and relevant policies (continued)

Education (continued)

Three of the trustees are involved with a connected charity, ODNs COBHAM OUTREACH CIO (Charity Registration Number 1174655), to make known the work of the international Order and raise awareness in the school and the local parish of the needs of women and children in poorer parts of the world. Moreover, this provides an opportunity for the pupils of Notre Dame School to stretch out a helping hand in accordance with the School's ethos, as well as channelling some of their charity fundraising.

The sisters also organise other opportunities for language exchanges and voluntary work for pupils on an individual basis. One sister provides aftercare for pupils of Notre Dame School at the end of the school day.

Another sister is on the staff of the Royal English College in Valladolid, Spain, where students for the priesthood go for their propaedeutic year prior to studying at the major seminaries. She is Pastoral Director and assists with student assessments, teaches pastoral studies and accompanies the students when they are on their pastoral placement.

Social and pastoral care

The members of the Order also continue to be active in parish activities. The sisters undertake work in the local community giving religious and material assistance to those in need (both Roman Catholic and from the wider public). Their work involves pastoral activities and organising religious instruction for children, young people and also adults; as well as home and hospital visits.

Grants and donations policy

Whilst the trustees agree to support 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.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity does not actively fundraise. 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. However, the trustees have requested that the investment managers do not invest in any company whose primary business is concerned with the manufacture of armaments, tobacco, alcohol or any products which would be used in connection with contraception or abortion or whose primary business entails labour exploitation. The trustees have delegated discretionary powers of management to Rathbone Investment Management Limited. The portfolio is managed with a view to producing a balance between income and capital returns.

Activities, specific objectives and relevant policies (continued)

COVID-19

The aftermath of the Covid-19 pandemic continues to shape the nature of the world. The pandemic has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

Along with many other charities, the trustees have continued to respond to the needs of the sisters and their ministry as the pandemic has evolved.

Financial review for the year

Results for the year

A summary of the year's results is set out on page 16 of the attached accounts.

During the year to 31 December 2021, income amounted to £399,953. Of this, £233,693 (2020: £148,349) comprised donations including £114,537 (2020: £118,032) being the pensions receivable by members of the Order and donated to the charity under Gift Aid compliant Deeds of Covenant and legacies of £115,656 (2020: £nil). In 2020 the charity received a donation of £26,667 from Notre Dame School, Cobham. Following the investment of £1 million with Rathbone Investment Management Limited during the year, the charity received investment income of £5,118. Rents receivable in respect to property leased to Notre Dame School, Cobham of £161,123 (2020: £143,334).

During the year, the charity incurred expenditure of £244,699 (2020: £201,559). Expenditure for maintaining the members of the Order and enabling them to carry out their charitable work amounted to £111,109 (2020: £149,269). Donations paid during the year totalled £129,284 (2020: £49,110). Further details of donations are given in note 5 to the attached accounts. Costs of raising funds in 2021 represent investment management fees and amounted to £4,306.

The overall net income for the year amounted to £155,254 (2020: £90,430). Investment gains were £32,172 resulting in net movement of funds of £187,426 (2020: £90,432).

Investment performance

The charity has a portfolio of investments with a market value at 31 December 2021 of £1,034,854 including cash awaiting investment of £182,480.

During the year, the charity's investments achieved an income yield of 0.94% and a capital yield of 5.88%. The performance of the portfolio reflected the fact that the monies were invested for the first time during the year and also reflected the condition of the markets generally throughout the period. The investment managers invested in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 11 to the attached accounts.

The trustees take a long term view regarding investment strategy and believe their policy remains appropriate.

Financial review for the year (continued)

Financial position and reserves policy

The balance sheet shows total funds of £3,849,203 at 31 December 2021. Of this, £747,900 (2020: £738,992) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £1,313,290 (2020 - £1,313,290) comprises funds represented by a property classified as programme related investment.

The trustees initially designated an amount of £1,100,000 in 2019 to establish a Sisters' retirement fund. They designated a further £100,000 in 2020 and, in the current year, a further £100,000 has been set aside giving the fund a value of £1,300,000 (2020 £1,200,000). In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is insufficient. However, it is hoped that further sums can be designated in future years as they become available.

Funds which are available as free reserves i.e. those unrestricted funds not designated for specific purposes or otherwise committed, are shown on the balance sheet as general funds and amount to £488,013 (2020: £409,495). It is the trustees' aim to ensure that sufficient funds are generated to be able to provide a proper level of care for sisters of all ages as they need it.

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to cover approximately two year's on-going expenditure and to provide for contingencies and unevenness in future income.

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive. In particular, the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the aftermath of the Covid-19 pandemic and the current macroeconomic and geopolitical environment.

Future plans

The trustees do not anticipate any significant changes to the charity or its objectives over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ Ensuring all members of the Order receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Order to continue with their individual ministries, as far as they are able, given their limitations of age and health;
- ◆ Selling the charity's property currently used as a community house once the property becomes surplus to requirements; and
- ◆ Paying due heed to the current macroeconomic and geopolitical environment and its consequences, both socially and economically.

The trustees are united in their concern for the overall health and wellbeing of each of the members of the Delegation. They are equally concerned that the members be supported and encouraged to live to the full the Mission of the Order to which each one has professed.

Governance, structure and management

Governance

In terms of Canon law, the Order is governed at an international level by the Superior General and her team in Rome. The Superior General is elected every six years by the members of the Order at the General Chapter and she appoints the General Team from the names put forward by the General Chapter.

During the year, the charity had five trustees including the Territorial Delegate. The power of appointing new trustees rests with the Territorial Delegate, with the approval of the Superior General.

In terms of Civil law, the charity is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number: 1173559). As all trustees are members of the Order, they have a detailed knowledge of the work of the charity and of its structures. On being appointed, new trustees are required to spend some time with those leaving office, to receive a briefing on their responsibilities and the current position of the charity. They also meet with the Order's legal and accounting advisers during the course of a day to obtain a full briefing of their responsibilities and the charity's position. On-going in-service training takes place during the mandate.

Trustees

The charity's Constitution states that there must be at least three charity trustees and no more than nine trustees.

In selecting new individuals for appointment as trustees, the Territorial Delegate has regard to the skills, knowledge and experience needed for the effective administration of the charity.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review all aspects regarding the charity and its activities, to plan and make relevant decisions for the future. When necessary, the trustees seek advice and support from the charity's professional advisers, including solicitors and accountants. The day to day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the Order.

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).

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles 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);
- ♦ make judgments 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;
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the 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.

Three of the trustees are members of the Delegation of England and their living and personal expenses are borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

Liability of the member

The Territorial Delegate is the sole member of the CIO.

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

Governance, structure and management (continued)

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Order and the charity currently face and have reviewed the measures already in place to deal with them.

The charity's principal assets include listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by a reputable investment manager who adheres to a policy agreed by the trustees. The investment strategy will be assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future. In the aftermath of the Covid-19 pandemic and given the current macroeconomic and geopolitical environment, the trustees will continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

The areas identified for particular attention within the charity's risk management strategy are:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputational
- ◆ Laws

Governance and management: looks at the risk of the Order, and hence the charity, of the skills and training of its members, and the good use of its resources.

An analysis of the age profile of the sisters shows that the average age at 31 December 2021 was 80 years. The trustees are aware that there is both a moral and legal obligation to care for the sisters. None of the sisters have resources of their own as all earnings, pensions and any 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 future 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 the ministries and needs of individual sisters -identifying those who need extra care and help.

Governance, structure and management (continued)

Risk management (continued)

Another major risk associated with the decline in the number of vocations of the Order and increasing average age of the membership, is that the charity would not be able to continue to be involved directly with the school in ensuring that the Charism of the school is maintained. In order to mitigate the major risk, sisters from the International Order, with educational experience, have become involved so that the charity is able to continue to fulfil its mission in the United Kingdom in the future.

Operational: looks at the risks inherent in the activities of the charity.

The trustees recognise the absolute necessity of ensuring the protection and safety of all whom the charity serve. This means that all sisters who are in any kind of ministry have obtained clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Standards Agency (CSSA).

The activities of the charity involve working with children and with adults who may need help at particularly vulnerable moments in life.

Financial: looks at risks including those arising as a result of poor budgetary control, poor accounting and poor financial controls.

Reputational: looks at possible damage to the Order's and hence the charity's reputation.

Laws, regulations, external and environment: looks at the effect of government policies and the consequences of non-compliance with laws and regulations in so far as they are applicable to the Order's activities.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced, they have established effective systems to mitigate those risks.

Members of the Order

The members of the Order continue to give unsparing service and dedication to all the Order's works and the trustees wish to record their appreciation.

Signed on behalf of the trustees:

Sister Patricia Grady ODN

Approved by the trustees on: 30/08/2022

Independent auditor's report to the trustees of the Order of the Company of Mary Our Lady CIO

Opinion

We have audited the accounts of the Order of the Company of Mary Our Lady CIO (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

How the audit was considered capable of detecting irregularities including fraud

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 identified the laws and regulations applicable to the charity through discussions with representatives from the trustees, and from our knowledge and experience of the charity sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and reviewed minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

How the audit was considered capable of detecting irregularities including fraud (continued)

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested and reviewed journal entries to identify unusual transactions;
- ◆ carried out substantive testing of expenditure including the authorisation thereof;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ investigated the rationale behind significant or unusual transactions.

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of trustees; and
- ◆ enquiring of representatives from the trustees 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 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 145 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

31 August 2022

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

Statement of financial activities Year to 31 December 2021

	Notes	2021 £	2020 £
Income from:			
Donations and legacies	1	233,693	148,349
Investments and interest receivable	2	166,260	143,360
Other income			
. Surplus on disposal of tangible fixed assets		—	280
Total income		399,953	291,989
Expenditure on:			
Cost of raising funds - Investment manager's fees		4,306	—
Charitable activities			
. Support of members of the Order and their ministry	3	111,109	149,269
. Programme related investments	4	—	3,180
. Grants and donations	5	129,284	49,110
Total expenditure		244,699	201,559
Net income before net investment gains	7	155,254	90,430
Net gains on investment assets		32,172	—
Net movement in funds		187,426	90,430
Reconciliation of funds:			
Funds brought forward at 1 January 2021		3,661,777	3,571,347
Funds carried forward at 31 December 2021		3,849,203	3,661,777

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

All activities of the charity derived from continuing operations during the above two financial periods.

Income includes a donation of £300 (2020: £200) received during the year for specific purposes. The donation has been applied for these purposes fully during the year and the expenditure is included above.

Balance sheet 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		747,900		738,992
Programme related Investments	10		1,313,290		1,313,290
Listed investments	11		1,034,854		—
			3,096,044		2,052,282
Current assets					
Debtors	12	303		3,001	
Cash at bank and in hand		785,358		1,630,921	
		785,661		1,633,922	
Creditors: amounts falling due within one year	13	(32,502)		(24,427)	
Net current assets			753,159		1,609,495
Total net assets			3,849,203		3,661,777
The funds of the charity:					
Unrestricted funds					
. Tangible fixed assets fund	14		747,900		738,992
. Programme related investment fund	15		1,313,290		1,313,290
. Designated fund	16		1,300,000		1,200,000
. General funds			488,013		409,495
			3,849,203		3,661,777

Approved by the trustees and signed
on their behalf by:

Sister Patricia Grady ODN

Trustee

Approved by the trustees on: 30/08/2022

Statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	3,608	(67,358)
Cash flows from investing activities:			
Investment income and interest received		165,957	143,360
Purchase of investments		(820,587)	—
Proceeds from the disposal of listed investments		385	—
Purchase of tangible fixed assets		(12,446)	—
Proceeds from the disposal of tangible fixed assets		—	280
Net cash (used in) provided by investing activities		(666,691)	143,640
Change in cash and cash equivalents in the year		(663,083)	76,282
Cash and cash equivalents at 1 January 2021	B	1,630,921	1,554,639
Cash and cash equivalents at 31 December 2021	B	967,838	1,630,921

Notes to the statement of cash flows for the year to 31 December 2021.

A Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	187,426	90,430
Adjustments for:		
Depreciation charge	3,538	4,516
Gains on listed investments	(32,172)	—
Investment income and interest receivable	(166,260)	(143,360)
Decrease in debtors	3,001	1,381
Increase (decrease) in creditors	8,075	(20,045)
Surplus on disposal of tangible fixed assets	—	(280)
Net cash provided by (used in) operating activities	3,608	(67,358)

B Analysis of cash and cash equivalents

	As at 31 December 2020 £	Cash flows £	As at 31 December 2021 £
Total cash and cash equivalents:			
Cash at bank and in hand	1,630,921	(845,563)	785,358
Cash held by investment managers	—	182,480	182,480
Total cash and cash equivalents	1,630,921	(663,083)	967,838

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 31 December 2021

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2021, with comparative information given in respect to the year to 31 December 2020.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) 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 such judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of calculating the depreciation charge;
- ◆ determining the value of designated funds including the determination of the assumptions made in determining the value of the retirement fund; and
- ◆ estimating the future income and expenditure flows of the charity 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 will continue to keep both income and expenditure under review. 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.

Assessment of going concern (continued)

The trustees have invested monies with Rathbone Investment Management Limited during the year. The trustees will communicate with their investment manager and, whilst there are concerns over the volatility in world stock markets given the current macroeconomic and geopolitical environment, they acknowledge also that the charity is a long term investor.

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 2022, 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).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from the charity's programme related investment, bank interest receivable, investment income, the surplus on disposal of tangible fixed assets and other income.

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 pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation 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.

Donated goods provided to the charity as gifts in kind are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the goods are provided to the charity. An equivalent amount is included as expenditure or capitalised if the goods represent a tangible fixed asset. Donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the goods of equivalent economic benefit on the open market.

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

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.

Income recognition (continued)

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

Income from programme related investments comprises rental income from a property used by another registered charity for purposes consistent with the objects of the Order, and is recognised when due under the lease arrangements with the entity. Income is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

The surplus on the disposal of tangible fixed assets is calculated as the difference between the net book value of the assets immediately prior to disposal and the cost of disposal. The surplus is recognised when the disposal becomes contractual.

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 recognition

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 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 on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:

- ◇ Expenditure on the support of members of the Order and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Order.
- ◇ Expenditure on programme related investments.
- ◇ Grants and donations to support the Order's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.

Charitable donations are made where the trustees consider there is real need following a review of the details of each particular case. Donations are included in the statement of financial activities when approved for payment. Provision is made for donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

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.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Order as any governance costs in relation to the provision of donations and grants is considered to be negligible.

Tangible fixed assets

◆ Freehold land and buildings

The charity's land and buildings represent non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. They are stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made.

◆ Furniture and equipment

All items of furniture and equipment or groups of such assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised and are depreciated over a ten year period on a straight line basis.

In some circumstances, the charity will capitalise a group of assets individually costing less than £1,000 where these are interdependent components of a grouped asset with a value exceeding £1,000.

Fully depreciated items are eliminated in the year following the year in which they are fully depreciated.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Programme related investment

Programme related investment includes land and buildings owned by the charity but used by Notre Dame School, Cobham for purposes consistent with the charity's objectives. The land and buildings are included in the accounts at cost.

Listed 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.

Listed investments (continued)

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

As noted above 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.

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.

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 funds of the charity comprise unrestricted funds available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds are amounts representing tangible fixed assets, programme related investments and amounts which the trustees have designated for specific purposes. Details of these are provided in the notes to the accounts.

Services provided by members

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

1 Income from: donations

	2021 £	2020 £
Salaries and pensions of individual religious received under Gift Aid compliant deeds of covenant	114,537	118,032
Legacies receivable	115,656	—
General donations	3,500	3,650
Donations – Notre Dame School, Cobham	—	26,667
	233,693	148,349

An amount of £300 is included within general donations (2020 £200) which was received and utilised fully for specific purposes during the year.

2 Income from: Investments and interest receivable

	2021 £	2020 £
Bank interest	19	26
Investment income receivable	5,118	—
Income from programme related investments		
. Rental income	161,123	143,334
	166,260	143,360

3 Expenditure on: support of members of the Order and their ministry

	2021 £	2020 £
Premises	28,162	42,034
Sisters' living and personal expenses	28,986	33,325
Nursing care and medical costs	20,169	42,248
Funeral costs	5,443	6,230
Formation and spiritual renovation	2,537	2,062
Depreciation	3,538	4,516
Support costs		
. Governance costs – legal and professional fees	15,086	11,040
. Other costs	7,188	7,814
	111,109	149,269

4 Expenditure on: Programme related investments

	2021 £	2020 £
Legal and professional fees	—	3,180

5 Expenditure on: Charitable donations

Donations during the year comprised:

	2021 £	2020 £
<i>Donations to institutions:</i>		
Generalate of the Order of the Company of Mary Our Lady		
. Annual contribution to support the Generalate	12,500	11,500
. Additional contribution to support the work of the Generalate	115,656	—
Asociación Redes de Solidaridad, Nicaragua – to support a primary school.	—	10,035
Notre Dame School, Cobham – contribution to the Hardship Fund	—	20,000
Other sundry donations	—	375
<i>Donations to individuals:</i>		
To fund further education of an individual	—	6,000
Stipends	1,128	1,200
	129,284	49,110

6 Staff costs, key management personnel and trustees' remuneration

The charity does not employ any staff. No employee earned £60,000 per annum or more (including taxable benefits) during the year (2020: £60,000).

The trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

As members of the Order, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2020: £nil).

7 Net income and net movement in funds

This is stated after charging:

	2021 £	2020 £
Auditor's remuneration		
. Statutory audit services:		
.. Current year	9,000	8,040
.. Previous year	360	—
. Other advisory services	—	(1,200)
Depreciation	3,538	4,516

8 Taxation

The Order of the Company of Mary Our Lady CIO 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.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2021	722,999	20,428	28,456	771,883
Additions	—	12,446	—	12,446
At 31 December 2021	<u>722,999</u>	<u>32,874</u>	<u>28,456</u>	<u>784,329</u>
Depreciation				
At 1 January 2021	—	4,938	27,953	32,891
Charge for the year	—	3,288	250	3,538
At 31 December 2021	<u>—</u>	<u>8,226</u>	<u>28,203</u>	<u>36,429</u>
Net book values				
At 31 December 2021	<u>722,999</u>	<u>24,648</u>	<u>253</u>	<u>747,900</u>
At 31 December 2020	<u>722,999</u>	<u>15,490</u>	<u>503</u>	<u>738,992</u>

10 The programme related investment

The programme related investment represents the charity's share of the land and buildings used by Notre Dame School, Cobham, and owned jointly by the charity and Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)).

The charity and the school have entered into a Declaration of Trust dated 20 August 2003 to formalise the manner in which the school property may be dealt with.

The charity leases the land and buildings situated at Burwood House, Convent Lane, Cobham KT11 1HA, to Notre Dame School under a 999 lease term which commenced on 1 September 2002. During the year, the terms of the lease were reviewed and with effect from 1 September 2020 the annual rental has been increased to £160,000 per annum (2019: £120,000). Under the terms of the lease, the school may cancel the lease at any time by giving the charity twelve months' written notice.

11 Listed investments

	2021 £	2020 £
Listed investments		
Fair (market) value at 1 January 2021	—	—
Additions at cost	820,587	—
Disposals at book value (see below)	(381)	—
Net unrealised gains	32,168	—
Fair (market) value at 31 December 2021	<u>852,374</u>	—
Cash held by investment managers	182,480	—
	<u>1,034,854</u>	—
Cost of listed investments at 31 December 2021	<u>820,206</u>	—

11 Listed investments (continued)

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

	2021 £	2020 £
Proceeds	385	—
Net realised gains	(4)	—
Disposals at book value	381	—

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

Listed investments held at 31 December 2021 comprised the following:

	2021 £	£
UK fixed interest	95,492	—
UK equities	344,341	—
Overseas fixed interest	35,360	—
Overseas equities	377,181	—
	852,374	—

At 31 December 2021 there were no listed investments deemed material when compared to the overall portfolio valuation as at that date.

12 Debtors

	2021 £	2020 £
Investment income receivable	303	—
Prepayments and accrued income	—	3,001
	303	3,001

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	20,002	12,927
Donations payable to the Generalate of the Order of the Company of Mary Our Lady	12,500	11,500
	32,502	24,427

14 Tangible fixed assets fund

	2021 £	2020 £
At 1 January 2021	738,992	743,508
Net movement in year	8,908	(4,516)
At 31 December 2021	747,900	738,992

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds 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.

15 Programme related investment fund

The programme related investment fund represents the book value of the charity's programme related investment at 31 December 2021 and 31 December 2020. There has been no movement in the value since 1 January 2020.

16 Designated fund – retirement reserve

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Retirement fund	2021 £	2020 £
At 1 January 2021	1,200,000	1,100,000
Designated in the year	100,000	100,000
At 31 December 2021	1,300,000	1,200,000

The Sisters' retirement fund has been established during the year by the charity's trustees to provide for the future costs of providing care for elderly sisters who have dedicated their working lives to the charity.

17 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2021 £
Fund balances at 31 December 2021 are represented by:					
Tangible fixed assets	—	747,900	—	—	747,900
Listed investments	—	—	—	1,034,854	1,034,854
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	488,013	—	—	265,146	753,159
	488,013	747,900	1,313,290	1,300,000	3,849,203

17 Analysis of net assets between funds (continued)

	General fund £	Tangible fixed assets fund £	Programme related investment fund £	Sisters' retirement fund £	Total 2021 £
Fund balances at 31 December 2020 are represented by:					
Tangible fixed assets	—	738,992	—	—	738,992
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	409,495	—	—	1,200,000	1,609,495
	<u>409,495</u>	<u>738,992</u>	<u>1,313,290</u>	<u>1,200,000</u>	<u>3,661,777</u>

The funds of the charity include unrealised gains as follows:

	2021 £	2020 £
Total unrealised gains:		
On investments	<u>32,168</u>	<u>—</u>
Reconciliation of movements in unrealised gains		
Net gains arising on revaluation in the year and unrealised gains at 31 December 2021	<u>32,168</u>	<u>—</u>

18 Transactions with trustees and other related party transactions

Several of the charity's trustees are also trustees of Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)) (the school). The school pays rent to the charity for the use of certain of the school property. The charity received rent of £161,123 during the year (2020: £143,334). During 2020 the charity received a donation of £26,667 from the school.

The charity occupies a portion of the said school property under a sub-lease, for which it pays an annual peppercorn rent.

During the year to 31 December 2020 the charity made a donation of £20,000 to the Notre Dame School, Cobham as a contribution to the Hardship Fund. No donation was paid in the current year.

The charity reimburses costs in relation to insurance and other expenses paid by the Notre Dame School on behalf of the charity. £4,583 was reimbursable during the year (2020 - £9,541) of which £4,583 (2020 - £nil) remained to be paid as at 31 December and is included within creditors: amounts falling due within one year.

The charity is connected to ODNs COBHAM OUTREACH (Charity Registration Number 1174655) (ODNs) by virtue of the fact that there are three trustees in common. The charity dispenses costs in relation to travel and other expenses on behalf of ODNs. These expenses are fully reimbursed by ODNs. The amounts reimbursed during the year amounted to £309 (2020 - £727). In addition, the charity made a donation of £nil (2020 - £200) to ODNs.

18 Transactions with trustees and other related party transactions (continued)

As members of the Order, none of the trustees who are members of the Delegation of England 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. During the year, the total amount donated by the trustees to the charity was £60,401 (2020: £60,654).

There were no other related party transactions during the year which require disclosure (2020: none).

19 Ultimate control and liability of the member

The charity is controlled by the Territorial Delegate who is the sole member of the CIO.

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

ORDER OF THE COMPANY OF MARY OUR LADY CIO

England & Wales - Charity number 1173559

Accounts

Order of the Company of Mary Our Lady CIO

Annual Report and Accounts

31 December 2020

Charity Registration Number
1173559

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2
Independent auditor's report	11

Accounts

Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Principal accounting policies	19
Notes to the accounts	24

Reference and administrative details of the charity, its trustees and advisers

Trustees	Sister Ernestine Velarde ODN Sister Anne Gill ODN Sister Anne Bayley ODN Sister Patricia Grady ODN Sister Maria Nieves Escalada Gallego ODN
Territorial Delegate	Sister Patricia Grady ODN
Principal address	Lestonnac 27-29 Between Streets Cobham Surrey KT11 1AA
Charity registration number	1173559
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Barclays UK plc 8-12 Church Street Walton on Thames Surrey KT12 2QX
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

The trustees present their report and the accounts of the Order of the Company of Mary Our Lady CIO (the charity) for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 19 to 23 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction

The Sisters of the Company of Mary Our Lady (the Order) are the members of an international Roman Catholic religious order founded by Jeanne de Lestonnac (1556-1640) in France in 1607. The Order's mission is education, focused on the person in all their uniqueness.

The Order is divided into a number of separate Provinces and Delegations. The Delegation of England is administered by the Territorial Delegate together with a Council consisting of two other members. The Territorial Delegate and Council are appointed by the Superior General, after consultation with the sisters of the Delegation of England, for a term of three years, renewable for up to nine years.

The accounts accompanying this report are the accounts of the charitable incorporated organisation (CIO) which administers the assets of the Order in England. The CIO is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number 1173559).

Mission

The principal objective of the charity, as set out in its Constitution, is to advance the religious and other charitable work undertaken by the Order and its members (the sisters) in England.

The principal work with which the sisters are involved concerns the provision of education together with social and pastoral care in the wider community.

By supporting and caring for the individual members throughout their lives within the Order, the charity aims to enable and support the sisters in living out their faith and serving other people, keeping in mind both the most urgent contemporary needs and present capacities of the sisters.

When setting the aims, planning the work of the charity and encouraging the work of individual members of the Order, the trustees give careful consideration to the Charity Commission's general guidance on public benefit.

Activities, specific objectives and relevant policies

Caring for members of the Order

The Delegation in England has seven members, the majority of whom have given their working lives to the charitable activities of the Order, and any earnings are covenanted to the charity. In common with many religious congregations in Britain, the age profile of the members of the Delegation is increasing as existing members grow older and the number of new vocations decreases. At present the average age is 81.

The Delegation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted a significant part of their lives to the work of education. As the age profile of the Delegation increases so too does the need to provide care for the sisters.

Over the next decade, the trustees expect the number of sisters requiring care to increase. As a consequence, the trustees are giving careful consideration to the impact of this on the work of individual members of the Delegation, the property requirements of the Delegation and the financial implications.

Education

In 2002, the education assets of the charity were transferred to the related charity, Notre Dame School, Cobham (Charity Registration Number 1081875). This charity continues to operate Notre Dame School, Cobham, a school providing education and consisting of a Preparatory and Senior School.

Through the sisters who are members of the Board of Governors of Notre Dame School, Cobham, the Order continues to ensure that its ethos and educational philosophy is maintained in the school in a manner consistent with the original aims and spirit of the school when run by the Order. There is a Sister from the USA and a Sister from Spain on the Board of Governors, who will be replaced when the occasion arises with other sisters from overseas, to ensure the continued support of the Order for the School.

The trustees of the charity continue to be actively involved with the school as Governors, members of committees and serve also in an advisory capacity.

To promote the ethos of the school and raise awareness of the Order's spiritual, educational and cultural heritage, the sisters lead an annual pilgrimage of a group of governors and staff to Bordeaux. This is where the Order was founded in 1607 by St Jeanne de Lestonnac, the niece of the French essayist Michel de Montaigne, for the education of girls.

The Order also provides opportunities for staff and Governors of the school to participate in its own international education conferences and meetings which are run by the Order every three to five years. Sisters from the Delegation of England assist with translation services, both written and simultaneous, for these meetings. The meetings help to integrate Notre Dame School, Cobham into the Order's international network of schools and educational centres.

Activities, specific objectives and relevant policies (continued)

Education (continued)

Three of the trustees are involved with a connected charity, ODNs COBHAM OUTREACH CIO (Charity Registration Number 1174655), to make known the work of the international Order and raise awareness in the school and the local parish of the needs of women and children in poorer parts of the world. Moreover, this provides an opportunity for the pupils of Notre Dame School to stretch out a helping hand in accordance with the School's ethos, as well as channelling some of their charity fundraising.

The sisters also organise other opportunities for language exchanges and voluntary work for pupils on an individual basis. One sister provides aftercare for pupils of Notre Dame School at the end of the school day.

Another sister is on the staff of the Royal English College in Valladolid, Spain, where students for the priesthood go for their propaedeutic year prior to studying at the major seminaries. She is Pastoral Director and assists with student assessments, teaches pastoral studies and accompanies the students when they are on their pastoral placement.

Social and pastoral care

The members of the Order also continue to be active in parish activities. The sisters undertake work in the local community giving religious and material assistance to those in need (both Roman Catholic and from the wider public). Their work involves pastoral activities and organising religious instruction for children, young people and also adults; as well as home and hospital visits.

Grants and donations policy

Whilst the trustees agree to support 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.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity does not actively fundraise. 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.

COVID-19

The Covid-19 pandemic continues to shape the nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

As most of the members of the Order are aged over 70, they have had to adhere to the stringent government advice issued on 23 March 2020. This has meant that their normal apostolic activities have had to find new shape or cease altogether. As a result of the social distancing rules, whilst largely remaining in lockdown, the sisters have tried to find new ways of working and supporting each other and those with whom they work.

Activities, specific objectives and relevant policies (continued)

COVID-19 (continued)

The sisters throughout the Order support each other in prayer and through electronic communication.

Along with many other charities, the trustees continue to respond to the needs of the sisters and their ministry in the current evolving phases of the pandemic.

Financial review for the year

Results for the year

A summary of the year's results is set out on page 16 of the attached accounts.

During the year to 31 December 2020, income amounted to £291,989. Of this, £148,349 (2019: £167,071) comprised donations including £118,032 (2019: £118,389) being the pensions receivable by members of the Order and donated to the charity under Gift Aid compliant Deeds of Covenant and £26,667 (2019: £40,000) being a donation from Notre Dame School, Cobham. Rents receivable in respect to property leased to Notre Dame School, Cobham amounted to £143,334 (2019: £120,000).

During the year, the charity incurred expenditure of £201,559 (2019: £208,187). Expenditure for maintaining the members of the Order and enabling them to carry out their charitable work amounted to £149,269 (2019: £176,715). Donations paid during the year totalled £49,110 (2019: £24,710). Further details of donations are given in note 5 to the attached accounts.

The overall net income for the year amounted to £90,430 (2019: £79,847).

Financial position and reserves policy

The balance sheet shows total funds of £3,661,777 at 31 December 2020. Of this, £738,992 (2019: £743,508) is represented by the net book value of properties and other tangible fixed assets essential for the support and work of the sisters whilst £1,313,290 (2019 - £1,313,290) comprises funds represented by a property classified as programme related investment.

The trustees designated an amount of £1,100,000 in 2019 to establish a Sisters' retirement fund and in the current year have designated a further £100,000. In the context of the total sum that will be needed in future years to provide for the sisters as they grow older, this amount is small. However, it is hoped that further sums can be designated in future years as they become available. Since the end of the year, the trustees have invested £1 million, being funds representing part of the designated fund, with Rathbone Investment Management Limited.

Funds which are available as free reserves i.e. those unrestricted funds not designated for specific purposes or otherwise committed, are shown on the balance sheet as general funds and amount to £409,495. It is the trustees' aim to ensure that sufficient funds are generated to be able to provide a proper level of care for sisters of all ages as they need it.

Financial review for the year (continued)

Financial position and reserves policy (continued)

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to cover approximately two year's on-going expenditure and to provide for contingencies and unevenness in future income. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the exceptional circumstances created by the Covid-19 pandemic.

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive. In particular, the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the Covid-19 pandemic.

Future plans

The trustees do not anticipate any significant changes to the charity or its objectives over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ Ensuring all members of the Order receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Order to continue with their individual ministries, as far as they are able, given their limitations of age and health;
- ◆ Selling the charity's property currently used as a community house once the property becomes surplus to requirements; and
- ◆ Paying due heed to the impact of the Covid-19 pandemic and its consequences, both socially and economically.

The trustees are united in their concern for the overall health and wellbeing of each of the members of the Delegation. They are equally concerned that the members be supported and encouraged to live to the full the Mission of the Order to which each one has professed.

Governance, structure and management

Governance

In terms of Canon law, the Order is governed at an international level by the Superior General and her team in Rome. The Superior General is elected every six years by the members of the Order at the General Chapter and she appoints the General Team from the names put forward by the General Chapter.

During the year, the charity had five trustees including the Territorial Delegate. The power of appointing new trustees rests with the Territorial Delegate, with the approval of the Superior General.

In terms of Civil law, the charity is governed by a Constitution dated 20 June 2017 and is registered with the Charity Commission (Charity Registration Number: 1173559).

Governance, structure and management (continued)

Governance (continued)

As all trustees are members of the Order, they have a detailed knowledge of the work of the charity and of its structures. On being appointed, new trustees are required to spend some time with those leaving office, to receive a briefing on their responsibilities and the current position of the charity. They also meet with the Order's legal and accounting advisers during the course of a day to obtain a full briefing of their responsibilities and the charity's position. On-going in-service training takes place during the mandate.

Trustees

The charity's Constitution states that there must be at least three charity trustees and no more than nine trustees.

In selecting new individuals for appointment as trustees, the Territorial Delegate has regard to the skills, knowledge and experience needed for the effective administration of the charity.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this Annual Report and Accounts.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review all aspects regarding the charity and its activities, to plan and make relevant decisions for the future. When necessary, the trustees seek advice and support from the charity's professional advisers, including solicitors and accountants. The day to day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the Order.

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 period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles 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);
- ◆ make judgments and estimates that are reasonable and prudent;

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the 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.

Three of the trustees are members of the Delegation of England and their living and personal expenses are borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

Liability of the member

The Territorial Delegate is the sole member of the CIO.

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

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the Order and the charity currently face and have reviewed the measures already in place to deal with them.

The outbreak of the Covid-19 pandemic has clearly presented challenges and potential threats to the well-being of the charity and its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

Governance, structure and management (continued)

Risk management (continued)

We note above the financial and operational effects of Covid-19. Over and above these, the areas identified for particular attention within our risk management strategy are:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputational
- ◆ Laws

Governance and management: looks at the risk of the Order, and hence the charity, of the skills and training of its members, and the good use of its resources.

An analysis of the age profile of the sisters shows that the average age at 31 December 2019 was 81 years. The trustees are aware that there is both a moral and legal obligation to care for the sisters. None of the sisters have resources of their own as all earnings, pensions and any 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 future 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 the ministries and needs of individual sisters -identifying those who need extra care and help.

Another major risk associated with the decline in the number of vocations of the Order and increasing average age of the membership, is that the charity would not be able to continue to be involved directly with the school in ensuring that the Charism of the school is maintained. In order to mitigate the major risk, the Order has been strengthened by including sisters, with educational experience, from the International Order to ensure that the Order is able to continue to fulfil its mission in the United Kingdom in the future.

Operational: looks at the risks inherent in the activities of the charity.

The trustees recognise the absolute necessity of ensuring the protection and safety of all whom the charity serve. This means that all sisters who are in any kind of ministry have obtained clearance from the Disclosure and Barring Service (DBS). The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS).

The activities of the charity involves working with children and with adults who may need help at particularly vulnerable moments in life.

Governance, structure and management (continued)

Risk management (continued)

Financial: looks at risks including those arising as a result of poor budgetary control, poor accounting and poor financial controls.

Reputational: looks at possible damage to the Order's and hence the charity's reputation.

Laws, regulations, external and environment: looks at the effect of government policies and the consequences of non-compliance with laws and regulations in so far as they are applicable to the Order's activities.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced, they have established effective systems to mitigate those risks.

Members of the Order

The members of the Order continue to give unsparing service and dedication to all the Order's works and the trustees wish to record their appreciation.

Signed on behalf of the trustees:

Patricia Grady ODN

Approved by the trustees on: 3 June 2021

Independent auditor's report to the trustees of the Order of the Company of Mary Our Lady CIO

Opinion

We have audited the accounts of the Order of the Company of Mary Our Lady CIO (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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 Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

How the audit was considered capable of detecting irregularities including fraud

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 identified the laws and regulations applicable to the charity through discussions with representatives from the trustees, and from our knowledge and experience of the charity sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and reviewed minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of representatives from the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

How the audit was considered capable of detecting irregularities including fraud (continued)

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested and reviewed journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ investigated the rationale behind significant or unusual transactions.

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

- ◆ agreeing accounts disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of trustees; and
- ◆ enquiring of representatives from the trustees 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 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 145 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

7 June 2021

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

Statement of financial activities Year to 31 December 2020

	Notes	2020 £	2019 £
Income from:			
Donations and legacies	1	148,349	167,071
Investments and interest receivable	2	143,360	120,083
Other income			
. Surplus on disposal of tangible fixed assets		280	880
Total income		291,989	288,034
Expenditure on:			
Charitable activities			
. Support of members of the Order and their ministry	3	149,269	176,715
. Programme related investments	4	3,180	6,762
. Grants and donations	5	49,110	24,710
Total expenditure		201,559	208,187
Net income and net movement in funds	7	90,430	79,847
Reconciliation of funds:			
Funds brought forward at 1 January 2020		3,571,347	3,491,500
Funds carried forward at 31 December 2020		3,661,777	3,571,347

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

All activities of the charity derived from continuing operations during the above two financial periods.

Included within donations and legacies income for 2020 is a donation of £200 received and utilised fully for specific purposes during that year. All other income and expenditure in 2020 and 2019 relate to unrestricted funds.

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	9		738,992		743,508
Investments	10		1,313,290		1,313,290
			2,052,282		2,056,798
Current assets					
Debtors	11	3,001		4,382	
Cash at bank and in hand		1,630,921		1,554,639	
		1,633,922		1,559,021	
Creditors: amounts falling due within one year	12	(24,427)		(44,472)	
Net current assets			1,609,495		1,514,549
Total net assets			3,661,777		3,571,347
The funds of the charity:					
Unrestricted funds					
. Tangible fixed assets fund	13		738,992		743,508
. Programme related investment fund	14		1,313,290		1,313,290
. Designated fund	15		1,200,000		1,100,000
. General funds			409,495		414,549
			3,661,777		3,571,347

Approved by the trustees and signed
on their behalf by:

Anne Gill

Trustee

Approved by the trustees on: 3 June 2021

Statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(67,358)	(13,531)
Cash flows from investing activities:			
Investment income and interest received		143,360	120,083
Purchase of tangible fixed assets		—	(11,900)
Proceeds from the disposal of tangible fixed assets		280	880
Net cash provided by investing activities		143,640	109,063
Change in cash and cash equivalents in the year		76,282	95,532
Cash and cash equivalents at 1 January 2020	B	1,554,639	1,459,107
Cash and cash equivalents at 31 December 2020	B	1,630,921	1,554,639

Notes to the statement of cash flows for the year to 31 December 2020.

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

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	90,430	79,847
Adjustments for:		
Depreciation charge	4,516	5,548
Investment income and interest receivable	(143,360)	(120,083)
Decrease (increase) in debtors	1,381	(34)
(Decrease) increase in creditors	(20,045)	23,071
Surplus on disposal of tangible fixed assets	(280)	(880)
Donation received in kind – motor vehicle	—	(1,000)
Net cash used in operating activities	(67,358)	(13,531)

B Analysis of changes in net debt

	As at 31 December 2019 £	Cash flows £	As at 31 December 2020 £
Total cash and cash equivalents:			
Cash at bank and in hand	1,554,639	76,282	1,630,921

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 31 December 2020, with comparative information given in respect to the year to 31 December 2019.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) 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 such judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of calculating the depreciation charge;
- ◆ determining the value of designated funds including the determination of the assumptions made in determining the value of the retirement fund; and
- ◆ estimating the future income and expenditure flows of the charity 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 Covid-19 pandemic continues to change the shape and nature of the world. It has impacted not only the basic nature of the social interactions but has also had a significant economic impact at every level in ways which have been outside of the trustees' control.

Assessment of going concern (continued)

The full impact of the pandemic on the charity's income and expenditure and financial position following the emergence of the global Covid-19 pandemic is still not fully known. As the charity derives its income from pensions donated by the members of the Order and rental from its programme related investment, the impact on the charity's income is currently not expected to be material. In terms of expenditure, it is anticipated that there will be an impact on living expenses due to savings in travel and meeting costs during the crisis. The trustees will continue to keep both income and expenditure under review.

With regard to the next accounting period, the year ending 31 December 2021, there are no significant areas that affect the carrying value of the assets held by the charity and the trustees are therefore content that the charity is, and will remain, a going concern.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, income from the charity's programme related investment, bank interest receivable, the surplus on disposal of tangible fixed assets and other income.

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 pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation 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.

Donated goods provided to the charity as gifts in kind are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the goods are provided to the charity. An equivalent amount is included as expenditure or capitalised if the goods represent a tangible fixed asset. Donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the goods of equivalent economic benefit on the open market.

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

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.

Income from programme related investments comprises rental income from a property used by another registered charity for purposes consistent with the objects of the Order, and is recognised when due under the lease arrangements with the entity. Income is accounted for only when the receipt of such income is probable and the amount can be measured reliably.

Income recognition (continued)

The surplus on the disposal of tangible fixed assets is calculated as the difference between the net book value of the assets immediately prior to disposal and the cost of disposal. The surplus is recognised when the disposal becomes contractual.

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 recognition

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.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include:

- ◇ Expenditure on the support of members of the Order and their ministry. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Order.
- ◇ Expenditure on programme related investments.
- ◇ Grants and donations to support the Order's own work overseas and to support other charitable organisations with objectives consistent with those of the charity.

Charitable donations are made where the trustees consider there is real need following a review of the details of each particular case. Donations are included in the statement of financial activities when approved for payment. Provision is made for donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

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.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure on support and governance is attributed directly to the charitable activities of supporting members of the Order as any governance costs in relation to the provision of donations and grants is considered to be negligible.

Tangible fixed assets

- ◆ Freehold land and buildings

The charity's land and buildings represent non-specialised buildings i.e. those designed as, and used wholly or mainly for, private residential accommodation. They are stated at cost. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm that their residual value is not materially less than their book value. When this is deemed to be the case, an impairment provision is made.

- ◆ Furniture and equipment

All items of furniture and equipment or groups of such assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised and are depreciated over a ten year period on a straight line basis.

In some circumstances, the charity will capitalise a group of assets individually costing less than £1,000 where these are interdependent components of a grouped asset with a value exceeding £1,000.

Fully depreciated items are eliminated in the year following the year in which they are fully depreciated.

- ◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each vehicle over its estimated useful life.

Programme related investment

Programme related investment includes land and buildings owned by the charity but used by Notre Dame School, Cobham for purposes consistent with the charity's objectives. The land and buildings are included in the accounts at cost.

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 funds of the charity comprise unrestricted funds available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds are amounts representing tangible fixed assets, programme related investments and amounts which the trustees have designated for specific purposes. Details of these are provided in the notes to the accounts.

Services provided by members

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

1 Income from: donations

	2020 £	2019 £
Salaries and pensions of individual religious received under Gift Aid compliant deeds of covenant	118,032	118,389
General donations	3,650	8,682
Donations – Notre Dame School, Cobham	26,667	40,000
	148,349	167,071

Included within general donations for 2020 is a donation of £200 received and utilised fully for specific purposes during the year.

2 Income from: Investments and interest receivable

	2020 £	2019 £
Bank interest	26	83
Income from programme related investments		
. Rental income	143,334	120,000
	143,360	120,083

3 Expenditure on: support of members of the Order and their ministry

	2020 £	2019 £
Premises	42,034	27,428
Sisters' living and personal expenses	33,325	46,958
Nursing care and medical costs	42,248	68,245
Funeral costs	6,230	—
Formation and spiritual renovation	2,062	1,207
Depreciation	4,516	5,548
Support costs		
. Governance costs – legal and professional fees	11,040	8,992
. Other costs	7,814	18,337
	149,269	176,715

4 Expenditure on: Programme related investments

	2020 £	2019 £
Legal and professional fees	3,180	6,762

5 Expenditure on: charitable donations

Donations during the year comprised:

	2020 £	2019 £
<i>Donations to institutions:</i>		
. Generalate of the Order of the Company of Mary Our Lady – contribution to support the Generalate	11,500	23,000
. Asociación Redes de Solidaridad, Nicaragua – to support a primary school.	10,035	—
. Notre Dame School, Cobham – contribution to the Hardship Fund	20,000	—
. Other sundry donations	375	610
<i>Donations to individuals:</i>		
. To fund further education of an individual	6,000	—
. Stipends	1,200	1,100
	49,110	24,710

6 Staff costs, key management personnel and trustees' remuneration

The charity does not employ any staff. No employee earned £60,000 per annum or more (including taxable benefits) during the year (2019: £60,000).

The trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the material charitable activities on a day to day basis.

As members of the Order, the trustees' living and personal expenses during the year were borne by the charity, but they received no remuneration or reimbursement of expenses in connection with their duties as trustees during the year (2019: £nil).

7 Net income and net movement in funds

This is stated after charging:

	2020 £	2019 £
Auditor's remuneration		
. Statutory audit services:		
.. Current year	8,040	7,800
.. Previous year	—	180
. Other services	(1,200)	4,800
Depreciation	4,516	5,548

8 Taxation

The Order of the Company of Mary Our Lady CIO 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.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2020	722,999	23,138	34,846	780,983
Disposals	—	(2,710)	(6,390)	(9,100)
At 31 December 2020	<u>722,999</u>	<u>20,428</u>	<u>28,456</u>	<u>771,883</u>
Depreciation				
At 1 January 2020	—	5,605	31,870	37,475
On disposals	—	(2,710)	(6,390)	(9,100)
Charge for the year	—	2,043	2,473	4,516
At 31 December 2020	<u>—</u>	<u>4,938</u>	<u>27,953</u>	<u>32,891</u>
Net book values				
At 31 December 2020	<u>722,999</u>	<u>15,490</u>	<u>503</u>	<u>738,992</u>
At 31 December 2019	<u>722,999</u>	<u>17,533</u>	<u>2,976</u>	<u>743,508</u>

10 The programme related investment

The programme related investment represents the charity's share of the land and buildings used by Notre Dame School, Cobham, and owned jointly by the charity and Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)).

The charity and the school have entered into a Declaration of Trust dated 20 August 2003 to formalise the manner in which the school property may be dealt with.

The charity leases the land and buildings situated at Burwood House, Convent Lane, Cobham KT11 1HA, to Notre Dame School under a 999 lease term which commenced on 1 September 2002. During the year, the terms of the lease were renewed and with effect from 1 September 2020 the annual rental has been increased to £160,000 per annum (2019: £120,000). Under the terms of the lease, the school may cancel the lease at any time by giving the charity twelve months' written notice.

11 Debtors

	2020 £	2019 £
Prepayments and accrued income	<u>3,001</u>	<u>4,382</u>

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	12,927	22,972
Donations payable to the Generalate of the Order of the Company of Mary Our Lady	11,500	11,500
Rental income received in advance	<u>—</u>	<u>10,000</u>
	<u>24,427</u>	<u>44,472</u>

13 Tangible fixed assets fund

	2020 £	2019 £
At 1 January 2020	743,508	736,156
Net movement in year	(4,516)	7,352
At 31 December 2020	738,992	743,508

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds 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.

14 Programme related investment fund

The programme related investment fund represents the book value of the charity's programme related investment at 31 December 2020 and 31 December 2019. There has been no movement in the value since 1 January 2019.

15 Designated fund – retirement reserve

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds for a specific purpose.

Retirement fund	2020 £	2019 £
At 1 January 2020	1,100,000	—
Designated in the year	100,000	1,100,000
At 31 December 2020	1,200,000	1,100,000

The Sisters' retirement fund has been established during the year by the charity's trustees to provide for the future costs of providing care for elderly sisters who have dedicated their working lives to the charity.

16 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Programme related investment £	Sisters' retirement fund £	Total 2020 £
Fund balances at 31 December 2020 are represented by:					
Tangible fixed assets	—	738,992	—	—	738,992
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	409,495	—	—	1,200,000	1,609,495
	409,495	738,992	1,313,290	1,200,000	3,661,777

16 Analysis of net assets between funds (continued)

	General fund £	Tangible fixed assets fund £	Programme related investment £	Sisters' retirement fund £	Total 2019 £
Fund balances at 31 December 2019 are represented by:					
Tangible fixed assets	—	743,508	—	—	743,508
Programme related investment	—	—	1,313,290	—	1,313,290
Net current assets	414,549	—	—	1,100,000	1,514,549
	<u>414,549</u>	<u>743,508</u>	<u>1,313,290</u>	<u>1,100,000</u>	<u>3,571,347</u>

17 Transactions with trustees and other related party transactions

Several of the charity's trustees are also trustees of Notre Dame School, Cobham (Registered Charity Number 1081875 and Registered Company Number 03898262 (England and Wales)) (the school). The school pays rent to the charity for the use of certain of the school property. The charity received rent of £143,334 during the year (2019: £120,000). In addition the charity received a donation of £26,667 (2019: £40,000) from the school.

The charity occupies a portion of the said school property under a sub-lease, for which it pays an annual peppercorn rent.

During the year under review the charity made donations totaling £20,000 (2019: £nil) to Notre Dame School. These donations were made specifically to the school's Hardship Fund to help ensure that the ethos and educational philosophy of the school is maintained during the difficult times presented by the Covid-19 pandemic.

The charity also reimburses costs in relation to insurance and other expenses paid by the Notre Dame School on behalf of the charity. The amounts reimbursed during the year amounted to £9,325 (2019: £3,131).

The charity is connected to ODNs COBHAM OUTREACH (Charity Registration Number 1174655) (ODNs) by virtue of the fact that there are three trustees in common. The charity dispenses costs in relation to travel and other expenses on behalf of ODNs. These expenses are fully reimbursed by ODNs. The amounts reimbursed during the year amounted to £727 (2019: £224). In addition, the charity made a donation of £200 (2019: £nil) to ODNs.

As members of the Order, none of the trustees who are members of the Delegation of England 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. During the year, the total amount donated by the trustees to the charity was £60,654 (2019: £57,923).

There were no other related party transactions during the year which require disclosure (2019: none).

18 Ultimate control and liability of the member

The charity is controlled by the Territorial Delegate who is the sole member of the CIO.

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

19 Post balance sheet event

Since the year end, the trustees have invested £1 million of the charity's cash at bank and in hand in a listed investment portfolio managed under a discretionary agreement by Rathbone Investment Management Limited to be held for the medium to long term.

1.