

Sisters of the Christian Retreat

Annual Report and Accounts
Year ended 31 March 2021

Charitable Incorporated Organisation: 1174120



Reference and Administrative Information

Charity Number	1174120
Registered Office	House of Prayer 35 Seymour Road East Molesey Surrey KT8 0PB
Trustees	Sister Melanie Kingston Sister Anne Dunne Sister Mary O' Neill Sister Christina Collins Sister Rose Marie Prongue Brijangana Waterfield Joanne Salters (appointed 25 June 2020) Navjot Johal (appointed 16 April 2020) Edward Sparrow (appointed 23 June 2020)
Regional Bursar	Sister Anne Dunne
Bankers	Barclays Bank Plc PO Box No.193 8/12 Church Street Walton on Thames Surrey KT12 2YW
Investment Managers	Quilter Cheviot Asset Management 90 Long Acre London WC2E 9RA
Solicitors	Stone King Sewell LLP 13 Queen Square Bath BA1 2HJ
Independent Examiners	Additude Ltd 9 Rhapsody Court Wakeman Road London NW10 5DF

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Report of the Trustees

The Trustees present their report and audited accounts for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements and accounts comply with current statutory requirements, the charity's trust deed, and the principles set out in 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 UK and Republic of Ireland in accordance with FRS 102.

Introduction

The Congregation of the Sisters of the Christian Retreat is an international Roman Catholic congregation supporting 20 sisters worldwide. The Congregation was founded in 1789 by Venerable Father Anthony Sylvester Receveur (1750 – 1804) in north-east France, where its Generalate is located today. The Congregation is divided into three Regions: France, Belgium and Benin in West Africa; Great Britain; and the Republic of Ireland. The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Congregation in Great Britain are held.

The Sisters of the Christian Retreat is a registered Charitable Incorporated Organisation (CIO) under the registration number 117410. The original charity "The Sisters of the Christian Retreat" (registration number 232567) was closed in August 2017.

Mission

The aim and spirit of the Sisters of the Christian Retreat is to lead people back to thoughts of faith and meditation on the Word of God and to spread the Gospel by all the means in its power, especially by Spiritual Retreats and Christian Education. The Charity supports the Sisters to carry out this work of retreat and education and other charitable works. The charity provides care and support for the Sisters throughout their lives, in accordance with the Constitutions of the Sisters of the Christian Retreat.

The Sisters of the Christian Retreat travelled from France to Britain in 1848, making Peckham the Foundation of the 'Retreat'. They lived a simple life of prayer and meditation in silence and solitude. To meet the need for Christian education, they opened a small primary school and this became the focus of their ministry. As more women joined the 'Retreat' more communities were established in different parts of the country and set up further schools at Primary and Secondary level. In 1935, the Sisters moved to East Molesey following the closure of their convent and school in Clapham. A new school was opened, St Joseph's Convent School, and it continued until the early 1990s when it was deemed unviable due to the diminishment in number of Sisters of working age and the lack of vocations to Religious Life. A decision to close the school was taken at the General Chapter in 1989.

At the same Chapter, a resolution was passed that the Congregation should once again offer retreats in response to the growing need for quiet spaces where people could 'come away' to renew themselves and deepen or find a relationship with God in silence and stillness. It was agreed that the then Regional Superior, Sister Melanie Kingston, could use the school building in East Molesey, an Edwardian family house, as a space for people to make a spiritual retreat. Many people from all walks of life have come through the doors of the House of Prayer and have been uplifted and renewed by the experience of making a spiritual retreat. From the House of Prayer, the Sisters offer residential and day retreats, spiritual direction and accompaniment to those in need.

In East Molesey, the Sisters share the life of 'Retreat' with a married couple who were appointed to manage the business of the House of Prayer and who join them each day for prayer. With them and a wider community of

spiritual directors, retreat leaders, employees and volunteers, we continue with the vital ministry of creating a welcoming space for the people who visit the House of Prayer.

Throughout the world, our Sisters live their Religious Life in communities where daily prayer and meditation, silence and retreat, recreation and friendship are important. The ‘Rule of Life’ is to live the entirety of our lives in ‘Retreat’. We are privileged to be able to share some small part of this with others who are seeking silence, stillness, and support in their own lives. Our retired Sisters in residential care support the Congregation’s Mission by their fidelity to daily prayer and meditation and following the Rule established by our Founder, the Venerable Fr. Anthony Receveur, to be:

*“In the way of him, who is Himself the Way,
in the school of Him Who is himself the Truth,
in the company of him Who is himself the Life”*

Public Benefit

The trustees review the aims, objectives, and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Objectives and Activities

The activities of the charity can be divided into three principal areas which are considered below:

1. Care of members of the Congregation:

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation is increasing as existing members grow older and the number of new vocations becomes minimal. The age profile of the Congregation in Great Britain is shown below:

Over 80	2
71–80	1
61-70	<u>1</u>
Total	<u><u>4</u></u>

The Congregation has a moral and legal obligation 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 education of children, the care of the elderly and the financially, emotionally, and spiritually poor in society. As the age profile of the Congregation increases so too does the need to provide increasingly expensive care for the sisters.

At present the Charity supports one Sister in Ireland but may be called upon in the future to support the others should the need arise. The age profile of the Congregation in Ireland is:

Over 80	2
71–80	1
61–70	<u>1*</u>
Total	<u>4</u>

**Receives an annual pension payment from the Region*

2. Social and pastoral care:

The Sisters respond to the social and pastoral needs of the community by offering spiritual direction and accompaniment to those in need. The Sisters organise and facilitate retreats for individuals and groups (including parishes) at the House of Prayer and other places where they are invited to.

The Sisters provide financial donations to other Charities on an intermittent basis (e.g. Christmas) and to various relief agencies when the need arises (e.g. Disaster funds) or on a regular basis (e.g. CAFOD, Mary's Meals). They contribute to the upkeep of the parishes where they worship and attend services. They may offer grants to employees or volunteers or employees who do not have the financial means to pursue educational or vocational courses, particularly in the field of Christian spirituality, spiritual direction and accompaniment, and counselling.

Spirituality and the ministry of the House of Prayer

The Sisters support the ministry of their retreat house, the House of Prayer, and provide meaningful work for employees and volunteers, including opportunities for development and training. The Sisters foster community life with those who live and work at the House of Prayer. Through the House of Prayer, the Sisters actively support and encourage the ministry of spiritual direction, accompaniment and retreat-giving by supporting a community of spiritual directors and accompaniers, and by inviting guest speakers and facilitators to lead retreats and days. The Congregation funds and supports the activities of the House of Prayer.

3. Support of overseas educational and missionary work:

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the congregation as appropriate. The charity mainly supports the work of the congregation in Benin and other European communities of the congregation as need arises.

Achievements and Performance

Review of activities

During the financial year 2020-2021, the COVID-19 pandemic had far-reaching effects globally and for the Charity, affecting the Congregation, its activities, and beneficiaries. The following paragraphs outline the main achievements during the year in each of the charity's principal activities.

1. Care of members of the Congregation:

The Charity continued to assist members of the Congregation in their charitable and religious work. There are currently two Sisters in residential care. Sister Anne Dunne (Referent) is responsible for taking care of their pastoral, social and economic needs. Due to ongoing restrictions during the pandemic, the Sisters in Molesey were unable to visit the Sisters in residential care but kept in contact by telephone.

The two Sisters who live and work at the House of Prayer receive regular spiritual direction and supervision for their spiritual direction and retreat-giving. They attend courses and seminars for their personal and professional development and make an annual retreat. The Superior General was unable to visit the Sisters in the UK due to ongoing Covid travel restrictions.

2. Social and pastoral care:

Spirituality and ministry of the House of Prayer

The House of Prayer was required to close due to government restrictions affecting hospitality and accommodation following the outbreak of Covid-19. On 1 April 2020, the House of Prayer was closed to retreatants and visitors. Staff were furloughed under the government Job Retention Scheme. Staff were placed on flexible furlough or returned to normal working hours as restrictions were lifted and as activities increased or could be resumed. Regular senior management meetings were arranged to review the situation, discuss ongoing restrictions, practicalities, and procedures. The welfare of the Sisters, staff and visitors was prioritised; risk assessments and measures were put in place to minimise risks when returning to work. Where appropriate, staff were encouraged to work from home.

The House of Prayer was closed to visitors and retreatants from April 2020 to August 2020. From August 2020, the House partially re-opened to accommodate self-catered retreatants in the self-contained ground floor rooms, following Covid-secure guidelines. The management team risk assessed the House of Prayer and enhanced all practices to ensure we met HSE's Five Steps to Working Safely during Coronavirus and Government guidelines concerning the hospitality sector. Social distancing, mask-wearing and enhanced cleaning practices were some of the necessary practices adapted to ensure that retreatants could visit the House safely and comfortably. From October to November 2020, the House of Prayer briefly re-opened to accommodate self-catered and catered retreatants. The House of Prayer was closed again on from November 2020 through to 31 March 2021.

Developing online ministry

Unable to meet the needs of individuals in person, the Sisters and the House of Prayer community adapted and adjusted their ministry of retreats, spiritual direction and accompaniment to be offered online. From 1 – 5 June 2020, the Sisters co-ordinated a Week of Accompanied Prayer via Zoom. 15 participants took part in the week and were accompanied by a visiting team of five retreat guides. In July, the House of Prayer Team led its first online 6-day Individually Guided retreat with retreatants Zoom-ing in from their homes. Jill Benet, London Co-ordinator for Contemplative Outreach, led the first Zoom pathway day in September 2020 and first online Centering Prayer Intensive Retreat in November 2020. Many of our visiting facilitators agreed to adapt their pathway days and retreats to be offered on Zoom. Fr Eamonn Mulcahy led a preached retreat with 24 retreatants Zoom-ing in each day, with some participating from Rome. The development of an online ministry noticeably expanded our ability to engage and reach people living in far-flung geographical locations and/or those who would otherwise find it difficult to travel to the House of Prayer in person.

In October 2020, the House of Prayer Team held its first hybrid Individually Guided Retreat since first closing, with retreatants participating in online prayer and spiritual direction meetings from home or residentially at the House of Prayer. During April 2020 – March 2021, the House of Prayer welcomed 168 individuals onto our online retreats and days alone. Individual spiritual direction and supervision was offered online throughout the year. In addition to this, our regular groups met online, including the Supervision Group for Spiritual Directors, the Prayer Journey, and Artists' Discernment Group. An Evening Centering Prayer group was created in March 2021 in response for the growing need for such prayer groups.

4. Other:

While the House of Prayer was closed to visitors in person, we used the time to strengthen the Charity, organisation, and the premises.

The Trustees conducted a review of investment managers and the investment policy.

The Charity reviewed its financial, human resources, and health and safety policies and procedures.

We focused on upgrading and re-decorating rooms in the House of Prayer, tackling wear and tear, and created a new meeting room for visitors by building a new office in unused space underneath the stairs.

Throughout the year, the House of Prayer benefited enormously from the expertise and skill of their gardening volunteer who has worked hard to ensure that the garden is a welcoming space for rest and reflection.

The Administrative and Facilities Managers were confirmed in their posts in March 2021.

Future Plans and Developments

During 2021/2022 the Trustees anticipate the following activities and objectives:

- To continue to care for the Sisters and enable them to carry out their pastoral work and ministry: to bring people to a deeper understanding of the Christian faith through retreats, spiritual direction and accompaniment to those in need. To support the Congregation's work in Benin, West Africa.
- To monitor the needs of Sisters as they grow older and, if necessary, adapt Charity's plans in respect of the use and needs of the premises, and provision of care to elderly members.
- To develop creative ways to engage with the external community around the Congregation, through the House of Prayer, to associate with and coordinate the work and ministry of the Congregation. To engage groups in ways sympathetic to the Congregation's Charism, including young people.
- To develop creative ways of responding to the present needs and challenges of individuals in the context of the ongoing Covid pandemic and the future of the post-pandemic world. To develop the online ministry of the House of Prayer and consider further investment in IT to support our activities.
- To continue to invest funds in projects which upgrade the House of Prayer.

Structure, Governance and Management

Governance

The Sisters of the Christian Retreat is an international Roman Catholic religious order of women and is governed by its own constitution. In terms of Canon Law, the Superior General and her Council from the Generalate house in France govern the Congregation at an international level. They are elected every six years at a General Chapter or

meeting of the representatives of all the regions of the Congregation. Sister Anne Dunne as Referant to the Superior General oversees the communities in the UK.

The British Region includes four Sisters; two Sisters are based in Surrey at the House of Prayer, and two Sisters are resident in a care home in south-east Kent. The Sister Referent is responsible for the needs and the care of the Sisters in the communities and regularly liaise with the trustees and Superior General.

The trustees are ultimately responsible for the policies, activities, and assets of the charity. They meet regularly to review developments regarding the charity and its activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investments managers, solicitors, and accountants. Some of the trustees are members of the Congregation and have a detailed knowledge of the work of the charity and of its structure.

New trustees were appointed by those already in office in a process of appointment led by the Chair of Trustees. The following trustees were appointed:

- Joanne Salters (appointed 25 June 2020)
- Navjot Johal (appointed 16 April 2020)
- Edward Sparrow (appointed 23 June 2020)

Risk Management

The trustees undertake regular reviews of the risks facing the Charity and have risk assessed the principal risks the Congregation currently faces in Britain. The trustees have reviewed the measures in place and those needing to be put in place to deal with ongoing or future risks, to establish policies, systems and procedures to mitigate those risks identified in the annual review.

The trustees have identified five main areas where risks may occur:

1. Government and management:

The Charity continues to examine and consider arrangements regarding the future provision for the wellbeing of the sisters and the good use of its resources by (a) ensuring adequate financial resources are designated for the future care of the Sisters, and (b) ensuring processes are in place to review the needs and work of individual Sisters.

2. Operational:

The Charity continues to monitor the use and needs of the building in fulfilling the aims and objectives of the Charity. Trustees ensure there are plans for the premises to be regularly maintained and upgraded. Security arrangements are regularly assessed and recommendations implemented. Health and safety policies and procedures are regularly reviewed and risk assessed annually. An external risk management company provides support and advice and conducts an annual visit to assess health and safety procedures.

3. Financial:

The Charity continues to monitor and assess possible risks arising from poor budgetary control, inappropriate spending, poor accounting, and inappropriate investment policies. The Charity regularly reviews its insurances policies to ensure adequate insurance cover is provided. Financial processes continue to be reviewed and updated.

4. External: including COVID-19

The Charity continues to monitor and assess possible risks and damage to the Congregation's and/or Charity's reputation, changes in government policy, and changes in the political or economic environment.

COVID-19 is an ongoing concern for the foreseeable future; however, the trustees are confident that the Charity has the resources to meet its future financial obligations and commitments.

5. Compliance with law and regulation:

Following the publication of the Elliott Report, an independent inquiry of the Catholic Church's Safeguarding Structures and Arrangements in England and Wales, in November 2020, the Charity has reviewed its safeguarding structures. The Congregation contributed to the forum setting up the new Religious Life Safeguarding Service (RLSS) and will subscribe to the service when it is operational. The Congregation continues to subscribe to the mandatory Catholic Safeguarding Advisory Service (CSAS) which will be replaced by the new Catholic Safeguarding Standards Agency (CSSA). The Trustees will need to consider whether to set up a sub-committee for safeguarding (which may not be appropriate) or risk assess safeguarding as part of the risk register.

The Charity takes its safeguarding responsibilities seriously and have appointed a trustee and a safeguarding officer to take a lead on reviewing and implementing safeguarding procedures. Safeguarding is a regular agenda item at trustee and management meetings to ensure any issues are raised and any changes or amendments to regulations or safeguarding structures are effectively communicated throughout the Charity's structures. Trustees and management are required to have undertaken appropriate safeguarding training and basic Disclosure and Barring Service (DBS) checks. Regular visiting spiritual directors are also required to demonstrate appropriate professional training and have completed safeguarding training and DBS checks. Safeguarding policies and procedures are reviewed annually and as change occurs.

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

Financial Review

The statement of financial activities for the year ending 31st March 2021 shows a deficit, before adjusting for investment gains, of £28,679 (2020 – Deficit of £167,435).

Total funds balance, after gains on investments, at the year-end was £12,267,729 (2020: £11,120,640).

Principal financial management policies

The charity closely manages its finances. A budget is approved before the beginning of the year. All expenditure is monitored against budget and authorised by the Director and Chair at the House of Prayer, who are responsible for ensuring that the expenditure remains within agreed limits.

Principal funding sources

The principal funding sources for the Charity are derived from income generated pension and salaries received by the sisters £87,065, income derived from retreats and providing spiritual guidance at the House of Prayer £17,216 and investment income of £143,392. Further details of funding are provided under notes 2, 3 and 4 of the financial statements.

Reserves Policy

It is the policy of the Charity that unrestricted funds, which have not been designated for a specific use, should be maintained at a level equivalent to 3-6 months of the expenditure. The Trustees have reviewed the level of reserves, included those set aside as designated funds, as set out in notes 17 and 18 to the financial statements and consider these to be adequate.

Investment Policy

Quilter Cheviot Asset Management manages the charity's investments. There are no restrictions on the charity's power to invest.

During the year the board reviewed the charity's investment policy was reviewed in the year. The charity adopted a responsible investment policy to ensure that its investments do not conflict with its aims. The board also reviewed charity's investment managers. An Investment Management Review Committee was set up and tasked with the process. Four investment management firm, including Quilter Cheviot (current manager) were invited to submit tender and for interview. After thorough review and interviews the committee decided to appoint two investment managers , Cazenove and Ruffer, and split the fund equally between them.

Statement of Trustees Responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

There is no relevant audit information of which the charity's auditors are unaware; and the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Examiner

Additude Ltd was appointed as the charity's independent examiner during the year and has expressed its willingness to continue in that capacity.

On Behalf of the Board of Trustees

Anne Dunne

Sister Anne Dunne
Chair of Trustees

Date: 22/07/2021

Independent Examiner's Report

We report on the accounts of the charity for the year ended 31 March 2021, which are set out on pages 12 to 24.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of CIPFA.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

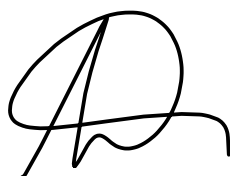
Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act
 - have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Andi Dollia, CPFA
ADDITUDE LTD
9 Rhapsody Court
Wakeman Road
London
NW10 5DF

Date: 22 July 2021

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Total 2021 £	Total 2020 £
Income from:			
Donations and legacies	2	87,065	37,041
Charitable activities			
Residential Care Home fees	3	–	–
Social and Pastoral care	3	17,216	64,676
Investments	4	143,392	138,348
Total income		247,673	240,065
Expenditure on:			
Raising funds	5	36,319	32,345
Charitable activities			
Residential Care Home operating costs	5	–	25,488
Social and Pastoral care	5	120,017	219,267
Support of Sisters and pastoral ministry	5	120,016	129,030
Supporting Overseas missionary work	5	–	1,370
Total expenditure		276,352	407,500
Net expenditure before net gains/(losses) on fixed assets	6	(28,679)	(167,435)
Net gains/(losses) on investments		1,175,768	(746,886)
Net loss on property revaluation		–	–
Net income/(expenditure)		1,147,089	(914,321)
Transfer of discontinued activities		–	–
Net movement in funds		1,147,089	(914,321)
Reconciliation of funds:			
Total funds brought forward		11,120,640	12,034,961
Total funds carried forward		12,267,729	11,120,640

All of the above results are derived from continuing activities except where noted, and are unrestricted. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statement.

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	31 March 2021 £	31 March 2020 £
Fixed assets:			
Tangible assets	11	6,432,234	6,469,000
Investments	12	5,507,041	4,532,997
		<u>11,939,275</u>	<u>11,001,997</u>
Current assets:			
Debtors	13	14,917	7,156
Cash held as short term investments		199,550	32,754
Cash at bank and in hand		155,853	131,321
		<u>370,320</u>	<u>171,231</u>
Liabilities:			
Creditors: amounts falling due within one year	14	(20,458)	(31,180)
		<u></u>	<u></u>
Net current assets		<u>349,862</u>	<u>140,051</u>
Total assets less current liabilities		<u>12,289,137</u>	<u>11,142,048</u>
Creditors: amounts falling due after one year	15	(21,408)	(21,408)
		<u></u>	<u></u>
Total net assets		<u><u>12,267,729</u></u>	<u><u>11,120,640</u></u>
The funds of the charity:			
Unrestricted income funds:			
Designated funds		12,051,464	10,927,696
General funds		216,265	192,944
		<u></u>	<u></u>
Total charity funds	17	<u><u>12,267,729</u></u>	<u><u>11,120,640</u></u>

Approved by the trustees on 22nd July 2021 and signed on their behalf by:

Anne Dunne

Sister Anne Dunne
Chair

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	For the period ended 31 March 2021		For the period ended 31 March 2020	
		£	£	£	£
Cash flows from operating activities					
Net cash used in operating activities	18		(134,745)		(318,395)
Cash flows from investing activities:					
Dividends and interest from investments		143,392		138,348	
Purchase of fixed assets		(19,042)		–	
Proceeds from sale of investments		778,719		2,516,881	
Purchase of investments		(576,996)		(2,248,412)	
Net cash provided by investing activities			326,073		406,817
Change in cash and cash equivalents in the year			191,328		88,422
Cash and cash equivalents at the beginning of the year			164,075		75,653
Cash and cash equivalents at the end of the year			355,403		164,075

Analysis of cash and cash equivalents

	At 1 April 2020	Cash flows	Other changes	At 31 March 2021
	£	£	£	£
Cash at bank and in hand	131,321	24,532	–	155,853
Cash held with investment managers	32,754	166,796	–	199,550
Total cash and cash equivalents	164,075	191,328	–	355,403

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

a) Statutory information

Sisters of the Christian Retreat is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission in England & Wales. The registered office address (and principal place of business, if different from the registered office) is 35 Seymour Rd, East Molesey KT8 0PB.

b) Basis of preparation

The financial statements 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015).

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Sisters' salaries and pensions are received under the deeds of covenant and stated inclusive of income tax, but net of any deductions for social security payments and contributions to occupational pension schemes.

Income from residential care home fees is taken into account on a receivable basis with all unpaid fees shown as debtors.

f) Interest receivable

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.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

1 Accounting policies (continued)

- Expenditure on charitable activities includes the costs of caring for the members of the congregation, residential care home, social and pastoral care and support of overseas educational and missionary work undertaken to further the purposes of the charity and their associated support costs Irrecoverable.

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

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity, including the cost of overall direction and administration of the charity, comprising the salary and overhead costs of the central function.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on percentage of direct expenditure attributable to each activity

Residential care home	0%
Social and pastoral care	50%
Support of Sisters and pastoral ministry	50%
Supporting overseas missionary work	0%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price of single item exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold buildings	50 years
Fixtures & Fittings	5 years
Motor Vehicles	4 years
Computer Equipment	3-5 years

k) Listed Investment

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. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

In addition, the charity has established a pension scheme for certain sisters. The scheme is a deferred annuity contract whereby a certain guaranteed sum is payable to the charity at a fixed future date. No value can be attributed to the contract as future returns are dependent on the bonuses which in turn depend on investment returns and inflation. Therefore the asset is included in the balance sheet at aggregate value of the premiums paid to date.

On maturity, proceeds are credited to the Statement of Financial Activities net of premium paid in respect of the relevant member or members.

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Assets held for sale

Assets held for sale represent freehold property held for sale in the normal course of business, recorded at the lower of historical cost and fair value.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

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

2 Income from donations and legacies

	For the year ended 31 March 2021	For the year ended 31 March 2020
	Total £	Total £
Sisters' pension donations	27,140	26,136
Donations from individuals	9,005	4,479
Sundry income	50,920	6,426
	<hr/> 87,065	<hr/> 37,041

3 Income from charitable activities

	For the year ended 31 March 2021	For the year ended 31 March' 2020
	Total £	Total £
Residential Care Home fees	-	-
Social and Pastoral care	17,216	64,676
	<hr/> 17,216	<hr/> 64,676

4 Income from investments

	For the year ended 31 March 2021	For the year ended 31 March 2020
	Total £	Total £
Bank interest receivable	-	137
Dividends from equity shares	143,392	138,211
	<hr/> 143,392 <hr/>	<hr/> 138,348 <hr/>

5. Analysis of expenditure (current year)

	Charitable activities						For the year ended 31 March 2021 £	For the year ended 31 March 2020 £
	Cost of raising funds £	Residential Care Home operating costs £	Social and Pastoral care £	Support of Sisters and pastoral ministry £	Supporting Overseas missionary work £	Governance costs £		
Staff costs (Note 7)	-	-	39,838	39,838	-	-	79,676	93,829
Running costs	-	-	41,226	41,227	-	-	82,453	130,994
Insurance	-	-	6,341	6,340	-	-	12,681	23,342
Depreciation	-	-	27,904	27,904	-	-	55,808	59,102
Independent Examination fee	-	-	-	-	-	2,000	2,000	2,500
Legal and professional fees	-	-	-	-	-	3,868	3,868	19,205
Investment costs	36,319	-	-	-	-	-	36,319	32,345
Donations	-	-	440	440	-	-	880	1,290
Maintenance of property	-	-	1,334	1,333	-	-	2,667	44,893
	36,319	-	117,083	117,082	-	5,868	276,352	407,500
Governance costs	-	-	2,934	2,934	-	(5,868)	-	-
Total expenditure 2021	36,319	-	120,017	120,016	-	-	276,352	407,500
Total expenditure 2020	32,345	25,488	219,267	129,030	1,370	-	407,500	

All the expenditure above for both the current and previous year was unrestricted.

6 Net expenditure for the year

This is stated after charging:

	For the year ended 31 March 2021 £	For the year ended 31 March 2020 £
Depreciation	55,808	59,102
Independent Examiner's fee	2,000	2,500
	<u>57,808</u>	<u>61,602</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	For the year ended 31 March 2021 £	For the year ended 31 March 2020 £
Salaries and wages	73,043	86,866
Social security costs	5,315	5,699
Employer's contribution to defined contribution pension schemes	1,318	1,264
	<u>79,676</u>	<u>93,829</u>

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits including pension contributions of the key management personnel were £21,762 (2020: £21,762).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil). The trustees are beneficiaries of the charity with this benefit being provided as set out in the report of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 4 (2020: 6).

9 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

There are no donations from related parties other than donations made by the Sisters of their state pension income (see Note 2 for details).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At the start of the year	6,725,000	-	6,725,000
Additions in the year	-	19,042	19,042
	<hr/>	<hr/>	<hr/>
At the end of the year	6,725,000	19,042	6,744,042
	<hr/>	<hr/>	<hr/>
Depreciation			
At the start of the year	256,000	-	256,000
Charge for the year	52,000	3,808	55,808
	<hr/>	<hr/>	<hr/>
At the end of the year	308,000	3,808	311,808
	<hr/>	<hr/>	<hr/>
Net book value			
At the end of the year	6,417,000	15,234	6,432,234
	<hr/>	<hr/>	<hr/>
At the start of the year	6,469,000	-	6,469,000
	<hr/>	<hr/>	<hr/>

Land with a value of £4,125,000 (2020: £4,125,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

12 Listed investments

	31 March 2021 £	31 March 2020 £
Fair value at the start of the year	4,532,997	3,748,352
Additions at cost	576,995	2,248,412
Disposal proceeds	(778,719)	(716,881)
Net gain / (loss) on change in fair value	1,175,768	(746,886)
Fair value at the end of the year	5,507,041	4,532,997
	2021 £	2020 £
UK Common investment funds	906,221	2,076,037
Shares listed on the London Stock Exchange	1,610,850	1,817,011
UK other investments	655,331	203,622
Overseas investments	2,334,639	415,438
Cash held for reinvestment	-	20,889
	5,507,041	4,532,997

13 Debtors

	31 March 2021 £	31 March 2020 £
Prepayments	7,830	7,156
Other Debtors	7,087	-
	14,917	7,156

14 Creditors: amounts falling due within one year

	31 March 2021 £	31 March 2020 £
Trade creditors and accruals	20,458	31,180

15 Creditors: amounts falling due after one year

	31 March 2021 £	31 March 2020 £
Sisters' dowries and legacies	21,408	21,408

16 Analysis of net assets between funds

Current year

	General unrestricted £	Designated £	Total funds £
Tangible fixed assets	15,234	6,417,000	6,432,234
Investments	-	5,507,041	5,507,041
Net current assets	222,439	127,423	349,862
Long term liabilities	(21,408)	-	(21,408)
Net assets at the end of the year	216,265	12,051,464	12,267,729

17 Movements in funds

Current year

	At the start of the year £	Income and gains £	Expenditure and losses £	At the end of the year £
Unrestricted funds:				
Designated funds:				
Property Fund	8,227,721	-	(52,000)	8,175,721
Retirement Fund	2,699,975	1,175,768	-	3,875,743
Total designated funds	10,927,696	1,175,768	(52,000)	12,051,464
General funds	192,944	247,673	(224,352)	216,265
Total funds	11,120,640	1,423,441	(276,352)	12,267,729

Purposes of designated funds

Property Fund represents the value of freehold land and buildings held by the charity.

Retirement Fund: The trustees consider that part of the charity's fund should be designated to provide for the care of sisters in retirement. No formal pension scheme has been established, and no actuarial valuation of potential costs has been carried out and as such the trustees have estimated the amount.

18 Reconciliation of net expenditure to net cash flow from operating activities

	For the year ended 31 March 2021 £	For the year ended 31 March 2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	1,147,089	(914,321)
Depreciation charges	55,808	59,102
(Gains)/losses on investments	(1,175,768)	746,886
Losses on property revaluation	-	-
Dividends and interest from investments	(143,392)	(138,348)
Increase in debtors	(7,761)	(30,724)
Decrease in creditors	(10,721)	(40,990)
Net cash used in operating activities	(134,745)	(318,395)