

THE SISTERS OF PROVIDENCE OF RUILLE-SUR-LOIR

England & Wales · Charity number 1177083

Details

Other names	THE SISTERS OF PROVIDENCE OR THE ABBREVIATION SP
Status	Registered
Legal form	CIO
Registered	2018-02-09
Register	View on the Charity Commission register

Contact

Address	Apartment 37 Home Grange Boultham Park Road Lincoln LN6 7ST
Phone	07811957375
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Website	www.providenceruillesurloir.com

Activities

Objects: SUCH CHARITABLE PURPOSES AS SHALL ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE PROVINCE OF THE SOCIETY WHICH INCLUDES ENGLAND AS THE TRUSTEES WITH THE APPROVAL OF THE SUPERIOR SHALL FROM TIME TO TIME THINK FIT AND IF AT ANY TIME THE SOCIETY SHALL CEASE TO EXIST OR SHALL CEASE TO CARRY ON RELIGIOUS OR OTHER CHARITABLE WORK IN SUCH PROVINCE THEN FOR SUCH OTHER LAWFUL CHARITABLE PURPOSES CONNECTED WITH THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION AS THE TRUSTEES SHALL DETERMINE

Activities: To advance the religious and other charitable work of the Sisters by caring for individual members of the Institute throughout their lives. The charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a variety of religious and other charitable works. The Institute's purpose is to serve people, through education and health care.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Belgium
- France
- Madagascar
- Netherlands
- Sri Lanka
- Birmingham City
- Coventry City
- Lincolnshire
- Oxfordshire
- Staffordshire
- Stoke-on-trent City
- Warwickshire
- Worcestershire
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£224,002	£523,010	-	-
2023-12-31	£285,717	£546,507	-	-
2022-12-31	£229,986	£286,461	-	-
2021-12-31	£211,825	£269,314	-	-
2020-12-31	£214,355	£177,514	-	-

Trustees

Name	Role	Appointed
SISTER GILLIAN MURPHY	Chair	2018-02-09
SISTER ANN HEANEY		2018-02-09
SISTER EILEEN KEANE		2018-02-09

THE SISTERS OF PROVIDENCE OF RUILLE-SUR-LOIR

England & Wales - Charity number 1177083

Accounts

The Sisters of Providence of Ruillé-sur-Loir CIO

Annual Report and Accounts

31 December 2024

Charity Registration Number
1177083

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Reference and administrative information Year to 31 December 2024

Trustees	Sister Ann Heaney Sister Gillian Murphy Sister Eileen Keane
Principal contact	Sister Gillian Murphy
Principal address	37 Home Grange Boultham Park Road Lincoln LN6 7ST
Charity registration number	1177083
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	Lloyds Bank plc 202 High Street Lincoln LN5 7AP
Investment managers	Barclays Wealth Management Limited 1 Churchill Place London E14 5HP
Solicitors	Gateley plc Park View House 58 The Ropewalk Nottingham NG1 5DW

The trustees present the report and accounts of The Sisters of Providence of Ruillé-sur-Loir 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 24 to 29 of the attached accounts and comply with the charity's constitution, applicable laws and the requirements of Statement of Recommended Practice on 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).

Introduction

The Institute of The Sisters of Providence of Ruillé-sur-Loir (the 'Institute') is an international Congregation of Roman Catholic women founded in the aftermath of the French Revolution in the small village of Ruillé-sur-Loir in the diocese of Le Mans, in France. At the end of that century, because legislation in France was becoming anti-clerical and anti-religious, some of the sisters came to England to carry out their work. The Institute continued to spread to other countries during the following century, first to Belgium and the Netherlands, then to Sri Lanka and Madagascar. These countries now comprise separate Regions of the Institute.

Since its foundation in 1806, the Institute's purpose is to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn. During 2015 the Institute fused with a smaller Congregation of Sisters of Providence of Sees. This Congregation of some 40 elderly French sisters at that time has now become part of the Institute. The Institute now numbers about 210 members spread through the above countries. The Institute, with its Generalate in Le Mans, has always been outward looking and each Region shares in the mission undertaken in any part of the world where the sisters are present.

The accounts accompanying this report are the accounts of the charity through which the activities and assets of the Institute in England are administered. The charity is a Charitable Incorporated Organisation (CIO) and is governed by a Constitution dated 9 February 2018 and is registered under the Charities Act 2011 – Charity Registration Number: 1177083.

Mission

The object of The Sisters of Providence of Ruillé-sur-Loir CIO is to advance the religious and other charitable work of the sisters of the Institute.

By caring for individual members of the Institute throughout their lives within the Institute, the charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a variety of religious and other charitable works.

When setting the objectives and planning the work of the charity, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Mission (continued)

The works or ministries of the sisters of the Institute fall into the following main areas:

♦ ***Worship and prayer***

Members of the Institute are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Institute celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services.

♦ ***Social and pastoral work***

Since its formation, the Institute's (and hence the sisters') purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn.

♦ ***Supporting other parts of the Institute***

The charity supports the work of the Institute overseas by the provision of grants and donations for specific projects.

Activities, specific achievements and relevant policies

Activities and specific achievements

As stated above under "Mission", the aims of the charity are to care for individual members of the Institute throughout their lives with the Institute and so enable and support them to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

There are four sisters in England, one sister who divides her time between England and the rest of the Institute and one sister who continues to live in France as part of an international community in Brittany, in the birth place of our founders and the founder of the American congregation. This community welcomes sisters from all parts of the Institute as well as being at the service of the local area and the tourists and pilgrims who visit.

♦ ***Caring for members of the Institute***

In common with many religious congregations in England, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations declines. The average age of the sisters currently living in England is 87 years.

The Institute 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 most of their lives to education and the care of other people.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ *Caring for members of the Institute (continued)*

This obligation also means caring for the members of the Institute in the Region, particularly those who are in poor health, enabling them to continue with their individual apostolate for as long as they are willing and able, ensuring that all members receive the level of care they need and deserve, and giving them the quality of life they have a right to expect. Whatever their age or state of health, all sisters are encouraged to share in the mission of the Institute, whether that be by being involved in administration or being part of the welcoming community, interested in the wellbeing of our visitors and friends, and when able, engaging in activities involving members of the public or simply by their prayer.

In January 2024 a property in Lincoln was marketed for sale since it was no longer appropriate to the needs of the sisters. Two of the sisters had gone into residential care and the property was too big for the remaining sister. The property was sold in January 2025 and further details are included in note 21 to the attached accounts.

During 2024 one Sister in care became ill and was hospitalised a number of times. This had an impact on the remaining Sisters, as they visited, cared for and attended more closely to her needs. She spent the last month of her life back in the care home with the support and care of the sisters. She died at the beginning of November.

Two sisters have had treatment for cataracts As a consequence their various activities have been impacted.

A sister with dementia continues to live in a care home adapted to her needs. The sisters visit her and other residents regularly, and take part in many of the activities proposed to family and friends. They also welcome Sister's family from France when she has visits.

♦ *Worship and prayer*

As well as providing the necessary means for the sisters to fulfil their spiritual obligations and needs, the sisters celebrate and pray with the wider community including people of other faiths and none. They do this through the provision of spiritual guidance or just being available to listen in times of need, and by joining with the public in Liturgical Celebrations in the local Catholic Parish Church or Anglican Churches.

"From time to time we lead an ecumenical prayer in our apartment block. We are also lucky that our parish church is across the road and we participate in the life of the parish. Our neighbours attend various activities with our encouragement. For some, it is a means of not being isolated which is a reality in their latter years."

The sisters continue to use Zoom to stay in touch and to pray with other groups both in the neighbourhood and beyond. The sisters also enjoy contact with the rest of the congregation in France and elsewhere using social media.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ *Worship and prayer (continued)*

Parishioners ring the sisters with prayer requests and the sisters ensure that parishioners know that they are included in their thoughts and prayers, thus bringing much consolation to people in need at this time. The sisters try to offer support in times of difficulty and bereavement.

♦ *Social and pastoral work*

The sisters' vocation calls them to "witness to the love and goodness of the Father." This they do in their various ministries following the example of their Founders and in line with the charism and aims of the Institute. These ministries can be divided into specifically religious works and general pastoral work.

Religious works

Religious works include:

♦ **Ministries in local parishes**

Those sisters who are able, participate in ministry in the parish, helping to organise prayer and liturgy, participating in ministry during the services and especially in taking communion to the sick and housebound. This ministry is much appreciated by people who can no longer attend church but have a deep desire to be connected. Many of these elderly people are also isolated so it is an opportunity for them to receive news and have some company. This year two sisters celebrated jubilees of 60 years and 25 years. The parish thanked them for their presence and the presence of the Congregation with a lovely celebration.



At Diocesan level, the sisters attend events at the Cathedral in Nottingham and join with other Religious by means of regular zoom meetings. They have also participated in meetings for the preparation of the Synod, both at Parish and Deanery levels.

♦ **Retreats, spiritual direction and related activities**

The Sisters are sometimes called upon to give spiritual input at important times of the year

The General Chapter of the Congregation was held in April 2024. The sisters were invited to share the fruits of the Chapter with the "Spiritual Family", and their friends and neighbours.



Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

General pastoral work

This area of work includes:

♦ Solidarity with the poor and the lonely

As a result of the economic crisis, one initiative that has continued this year is the provision of "warm meeting places". Elderly, isolated and poor people continue to meet socially for tea and refreshments, conversation and games and even appropriate exercise. Many residents of the apartment block and other neighbours take advantage of this activity in our parish hall in an effort to combat loneliness and illness.

"We feel that we have a public welfare role in the Apartments as we join with the residents in organised activities, small group social meetings. For example, we look in on one resident every evening and help her with her various treatments. We are also in contact with her family who appreciate our presence."

♦ School, hospital and ecumenical chaplaincies

The sisters have good relationships with the local schools.

"Minster school is now selling the buildings which were our previous convent school. We have been able to help them to find suitable homes for various religious artefacts from the Chapel which is part of the sale."



♦ Participation in the life of the Institute

The Sisters in Europe are finding it increasingly difficult to travel, to meet and to participate in traditional ways. However, the sisters in England, despite their age, have become increasingly proficient in using social media and technology.

"We have kept in touch with the other sisters of the Congregation by participating in Zoom meetings."

♦ Administrative work for the Institute and Region

One sister, who was named the Delegate for France and England after the recent General Chapter oversees the administration for the Sisters in England and looks after the letting of the house in London. She also translates the documents of the congregation into English or French for the benefit of the English speaking sisters. She has close links with the General Bursar and represents the interests of the English part of the Congregation on the various finance and HR committees of the Congregation.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

General pastoral work (continued)

♦ ***Supporting other parts of the Institute***

One sister in Lincoln has been giving English lessons via Whatsapp to a sister from Madagascar who is on the General Council.

The sisters in England continue to make donations where they can to the sisters in the global south for their projects and for the formation of the younger sisters. This year, we helped to finance the continuing studies of young sisters in Sri Lanka as well as helping to furnish and other projects as described below.

We also secured funds from an American charity to enable a community in Madagascar to open some primary school classes.

The following is taken from the newsletter of the Sisters of Providence in Sri Lanka.

Scholarship Fund



“Providence Welfare Services provides consistent support to students who face financial burdens to go forward in their studies. Every month, the scholarship is distributed, ensuring that the financial burden on their families is eased and that they have the resources they need to continue their studies. This regular assistance not only helps cover educational expenses but also empowers students to stay focused on

their academic goals without the added worry of financial hardship. With this monthly support, we can stand by them every step of the way as they pursue their dreams.

Distribution of Nutritious Food Packets to Malnourished Students

In response to the growing concern of malnutrition among students in schools across the country, we identified an urgent need to support children who are facing nutritional deficiencies in previous years. Considering this, we chose Basilica School as the recipient of our food distribution initiative, aimed at providing nutritious meals to students in need.

We are now providing 50 weekly food parcels to students at Basilica School. These parcels are carefully prepared to ensure they meet the nutritional needs of each child, helping to improve their health and support their overall well-being.

Activities, specific achievements and relevant policies (continued)

Distribution of Nutritious Food Packets to Malnourished Students (continued)

This project has already made a significant impact, bringing much-needed relief to many children and their families. We remain committed to increasing our support, ensuring that more students benefit from this vital initiative in the future.



Christmas Charity Drive at Welisara TB Hospital

The Welfare Society held its annual Christmas charity drive on December 20th 2024 at the Welisara Tuberculosis Hospital.

Selecting the most in-need and vulnerable patients among the admissions they were given dry rations to sustain them and provide comfort at this challenging time.



We are truly grateful to benefactors who donated to make these and other projects possible, allowing us to share a little happiness and relief to those who needed it most.

The sisters in England are supporting the refurbishment project of the Mother House in France. This house is at the heart of the congregation and is in need of modernisation in order to be able to serve as a base for the whole congregation. The works will also allow the congregation to expand its ministry both locally and internationally.



Activities, specific achievements and relevant policies (continued)

Investment policy

♦ Listed investments

Under the charity's constitution, the trustees may invest in any investments authorised by law. During the year, the charity's investments were managed by Barclays Wealth Management Limited.

The charity's investment policy is to maintain a balanced return from both income and capital with a medium level of risk. The trustees, on the advice of the professional and lay advisers, review the policy annually. The trustees believe that the social and Gospel values of the Catholic Church should be present in the manner in which money is invested and in the way it is used to enhance the development of the charity and the achievement of its objectives. Investments are to be ethically chosen, whilst being mindful of the Charities Act requirement to seek the best possible returns. To achieve this we maintain a diversified investment portfolio.

The performance of the portfolio and the charity's investment strategy have been reviewed by the trustees whose representatives meet with the investment managers every six months.

♦ Investment property

The charity has one property which is rented out to tenants at a commercial rental and which is classified in the accounts as an investment property.

♦ Annuity and pension contracts

As the sisters are members of a religious congregation and have taken a vow of poverty, any rights they might have to assets and income have been given over to the Institute which, therefore, is responsible for their upkeep and well-being.

The charity has been putting aside monies in a "Pension Scheme" (deferred annuity contracts) for each sister over the last twenty or more years. The scheme provider is Phoenix Life (previously Royal Insurance Company Limited).

Under the terms of the contract, on a member of the scheme reaching the age of 65, the charity may receive either an agreed (guaranteed) basic annuity (pension) over the remaining life of the scheme member together with any bonuses attaching thereto, or receive a cash option in exchange for the 'pension'.

Financial review

Results for the year

A summary of the results for the year to 31 December 2024 can be found on page 21 of this report and accounts.

Total income amounted to £224,002 (2023: £285,717). Total pensions income included within donations in the year amounted to £81,538 (2023: £84,396). All pensions are covenanted to the charity. No legacies were received in the year (2023: £47,293). Investment income and interest receivable totalled £142,317 (2023: £151,136) and included rental income of £45,040 (2023: £35,764) from the investment property.

Expenditure totalled £523,010 (2023: £546,507). Expenditure incurred on maintaining the members of the Institute and supporting them in their pastoral work and ministry amounted to £222,036 (2023: £201,435). Fees paid to the charity's investment managers during the year amounted to £33,818 (2023: £33,344) and expenditure incurred on the investment property amounted to £9,740 (2023: £5,807). Charitable grants and donations amounted to £257,416 (2023: £305,921). In 2024 and 2023 these donations were principally in support of the overseas work of the Institute.

Net expenditure for the year before investment losses or gains, therefore, was £299,008 (2023: net expenditure £260,790). Net gains on listed investments of £369,563 (2023: net gains of £321,582) resulted in a net increase in funds for the year of £70,555 (2023: net increase in funds of £60,792).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out earlier in this report.

During the period, the charity's listed investments achieved an income yield of 2% (2023: 2.6%) and a capital yield of 7.2% (2023: Nil). Further details of the investment portfolio are included in note 12 to the attached accounts.

The trustees take a long term view and believe their investment policy should continue to be applied.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of the religious members whose average age is increasing and whose needs are changing.

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, investment property, designated for specific purposes, or otherwise committed. In considering the level of reserves, trustees take into account forecasts of future income and expenditure, potential needs and risks, and the need to ensure the continuity of activity.

Financial review (continued)

Reserves policy and financial position (continued)

Reserves policy (continued)

Given the nature of the charity's work and the increasing, often unpredictable, call on its resources to provide continuing essential care to its members, especially those impaired by age and illness, the trustees believe that the level of free reserves may be up to thirty six months' worth of expenditure without giving rise to concern.

Financial position

At 31 December 2024, the charity had net assets totalling £7,538,361 (2023: £7,467,806). Of this, £835,389 (2023: £856,147) was represented by properties and other tangible fixed assets essential for the support and work of the sisters, £5,125,000 (2023: £5,125,000) represented a retirement reserve designated to provide an income to maintain the sisters as they grow older.

Community funds, being the cash and bank balances held by communities and designated or set aside to meet their day-to-day costs, amounted to £61,422 (2023: £51,464).

The trustees have also set aside £627,879 (2023: £871,341) in a Financing and Congregational fund with the broad intention to use the fund for making donations including contributions to the Congregation's work overseas. It is expected that the money will continue to be invested and income from this fund will be used to fund future donations.

Therefore, at 31 December 2024, funds which are available to support the work of the sisters in the future are those shown on the balance sheet as general funds and total £888,671 (2023: £563,854). The trustees are of the opinion that this level of free reserves was adequate.

Future plans

Major renovation works commenced at the Congregation's Mother House in France in September 2023. It is anticipated that the charity will contribute to the financial cost of this work and other activity of the French Congregation. In 2025 the Trustees have made a further donation of €700,000 for these purposes.

Governance, structure and management

In terms of Canon Law, the Institute is governed by a Superior General and General Council elected at a six-yearly General Chapter made up of representatives elected by all the professed members of the Institute. Being too small to be divided into Provinces, the Institute was divided into three geographical Regions: Sri Lanka and Madagascar each with a Regional Superior and her three councillors and the European Region (comprising England, Belgium, France and the Netherlands) with a Delegate appointed from each of these countries. England, now part of the Region of Europe, is financially autonomous.

Governance, structure and management (continued)

In terms of civil law, the charity is governed by three trustees appointed having regard to their years of experience. Those now holding office have all been involved in teaching and the administration of educational establishments, subsequently widening their experience in other pastoral activities. Trustees are appointed for three yearly terms to ensure renewal and balance of competence. They attend conferences on charity law and other topics relevant to the charity's activities.

The names of the trustees who served during 2024 are set out on page 1 of this annual report and accounts. The trustees have asked another sister to prepare to become a trustee.

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

Statement of trustees' responsibilities

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

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

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

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

Governance, structure and management (continued)

Key management

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.

All trustees are members of the Institute and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or work as key management.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that systems are in place to mitigate exposure to these risks.

The trustees recognise their responsibility for the management of risks faced by the charity, the Institute in England and its individual members.

The trustees continue to review and update the charity's risks.

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

- ♦ An analysis of the age profile of the members of the Institute shows that the average age in England at 31 December 2024 was 78 years. The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters.

Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

- ♦ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.

Governance, structure and management (continued)

Risk management (continued)

- ◆ The charity donates monies in support of the wider Institute and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Institute. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ Operationally the charity works with children and vulnerable adults including older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Religious Life Safeguarding Service (RLSS) and the Catholic Safeguarding Standards Agency (CSSA). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters and volunteers.

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.

Fundraising policy

The charity aims to achieve best practice in the way in which they communicate with donors and other supporters. Care is taken with both the tone of communications and the accuracy of data to minimise the pressures on supporters. Best practice is applied to protect supporters' data and data is never sold, swapped and communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding fundraising activities and to learn from them. During 2024, the charity received no complaints about its fundraising activities.

Members of the Institute

The trustees wish to record their recognition of the professionalism and commitment of individual members of the Institute. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

G.M. Murphy

Trustee

Approved by the trustees on:

16th July 2025

Independent auditor's report to the trustees of The Sisters of Providence of Ruillé-sur-Loir CIO

Opinion

We have audited the accounts of The Sisters of Providence of Ruillé-sur-Loir CIO for the year ended 31 December 2024, 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 2024 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

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 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

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulation 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 to 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 management and 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; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

- ◆ Making enquiries of management and 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 financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of 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 financial statements 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 this 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

24 July 2025

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 Total funds £	2023 Total funds £
Income from:			
Donations and legacies	1	81,685	133,040
Investments and interest receivable	2	142,317	151,136
Other sources			
. Surplus on disposal of tangible fixed assets	3	—	800
. Miscellaneous		—	741
Total income		224,002	285,717
Expenditure on:			
Raising funds			
. Investment management fees		33,818	33,344
. Investment property costs		9,740	5,807
Charitable activities			
. Support of members of the Institute and their ministry	4	222,036	201,435
. Charitable grants and donations	5	257,416	305,921
Total expenditure		523,010	546,507
Net expenditure before investment gains		(299,008)	(260,790)
Net gains on listed investments	12	369,563	321,582
Net movement in funds	7	70,555	60,792
Reconciliation of funds:			
Funds balances at 1 January 2024		7,467,806	7,407,014
Funds balances at 31 December 2024		7,538,361	7,467,806

All income and expenditure related to unrestricted funds in both of the above accounting periods.

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

Balance sheet 31 December 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	11		835,389		856,147
Investments	12		6,615,660		6,279,147
			7,451,049		7,135,294
Current assets					
Debtors	14	5,298		20,122	
Cash at bank and in hand		368,667		645,137	
		373,965		665,259	
Current liabilities					
Creditors: amounts falling due within one year	15	(286,653)		(332,747)	
Net current assets			87,312		332,512
Total net assets			7,538,361		7,467,806
The funds of the charity					
Unrestricted income funds					
. Tangible fixed assets fund	16		835,389		856,147
. Designated funds	17		5,814,301		6,047,805
. General funds			888,671		563,854
			7,538,361		7,467,806

Approved by the trustees and signed on their behalf by:

G.M. Murphy

G.M. Murphy

Trustee

Approved on: 16th July 2025

Statement of cash flows Year to 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(448,712)	(130,283)
Cash flows from investing activities:			
Investment income and interest received		139,192	150,549
Proceeds from the disposal of tangible fixed assets		—	800
Purchase of tangible fixed assets		—	(163,106)
Proceeds from the disposal of investments		1,002,062	2,912,300
Purchase of investments		(1,005,661)	(2,569,622)
Net cash provided by investing activities		135,593	330,921
Change in cash and cash equivalents in the period		(313,119)	200,638
Cash and cash equivalents at 1 January 2024		710,421	509,783
Cash and cash equivalents at 31 December 2024	B	397,302	710,421

Notes to the statement of cash flows for the period 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)	70,555	60,792
Adjustments for:		
Depreciation charge	20,758	20,758
Gains on listed investments	(369,563)	(321,582)
Investment income and interest receivable	(142,317)	(151,136)
Surplus on disposal of tangible fixed assets	—	(800)
Decrease (increase) in debtors	17,949	(18,416)
(Decrease) increase in creditors	(46,094)	280,101
Net cash used in operating activities	(448,712)	(130,283)

B Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	368,667	645,137
Cash held by investment managers	28,635	65,284
Total cash and cash equivalents	397,302	710,421

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

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 period to 31 December 2024 with comparatives given for 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 only areas in the accounts where such judgements and estimates have been made are in respect to:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ Estimating the fair value of investment properties;
- ◆ Determining the amounts to be set aside as designated funds; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees 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.

Assessment of going concern (continued)

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

Income 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, legacies, investment income, interest receivable, rental 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.

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

Entitlement to legacies is taken as the earlier of the date on which either: the charity is aware that probate has been granted or the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made; or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from listed Investments is recognised once the dividend or relevant income has been declared and notification has been received of the amount due. Rental income from investment property is recognised at the date at which the charity is entitled to such income under the relevant tenancy agreement.

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)

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

All other income, including rental 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. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees and costs incurred in connection with the charity's investment property.
- ◆ 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 charitable grants and donations, costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

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 activity of supporting members of the Institute and enabling their ministry as any support and/or governance costs in relation to the provision of donations and grants is considered to be negligible.

Pension costs

The charity contributes to two pension arrangements for its members. A deferred annuity contract and a stakeholder contract, both of which are defined contribution pension schemes. Contributions in respect to both defined contribution schemes are charged to the statement of financial activities as they fall due.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Land and buildings

Land and buildings comprise freehold and long leasehold buildings. Depreciation is provided on both freehold and long leasehold properties at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the charity.

Freehold and long leasehold land and buildings are included at cost.

◆ Fixtures and fittings

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ 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.

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.

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.

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally 31 December 2022 on an open market basis by ehB Reeves, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuation Standards (the ‘Red Book’).

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 are 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 accounting

The charity's funds comprise a number of unrestricted income funds which are available for application towards the charity's objectives. Within unrestricted funds the trustees have identified those non-liquid funds represented by tangible fixed assets and have designated certain amounts for specific purposes. Details of these funds are given in notes 16 and 17 to the accounts.

Services provided by members of the Institute

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

1 Income from: Donations and legacies

	2024 £	2023 £
Pensions of individual religious received under Gift Aid or Deed of Covenant	81,538	84,396
Legacies	—	47,293
Donations	147	1,351
	81,685	133,040

2 Income from: Investments and interest receivable

	2024 £	2023 £
Income from listed investments	95,244	113,883
Interest receivable		
. Bank interest	2,033	1,489
Income from investment property		
. Rental income	45,040	35,764
	142,317	151,136

3 Income from: Surplus on disposal of tangible fixed assets

	2024 £	2023 £
Disposal of motor vehicles	—	800

4 Expenditure on: Support of members of the Institute and their ministry

	2024 £	2023 £
Premises	47,929	42,787
Sisters' living and ministry expenses	149,754	139,675
Education, training and spiritual renewal	4,238	2,973
Governance costs (note 6)	20,115	16,000
	222,036	201,435

5 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the overseas work of the Institute.

The grants and donations payable during the year were as follows:

	2024 £	2023 £
Contribution to the Generalate of The Sisters of Providence of Ruillé-sur-Loir	243,462	300,000
Donation to the missions of The Sisters of Providence of Ruillé-sur-Loir		
. Sri Lanka	13,039	5,000
Donations of less than £1,000 each	915	921
	257,416	305,921

6 Governance costs

	2024 £	2023 £
Legal and professional fees	2,895	2,252
Auditor's remuneration	17,220	13,748
	20,115	16,000

7 Net movement in funds

This is stated after charging:

	2024 £	2023 £
Auditor's remuneration (including VAT)		
. Statutory audit services	14,000	13,448
. Taxation services	3,220	300
Depreciation	20,758	20,758

8 Staff costs

The charity had no employees during the year (2023: none).

9 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Institute and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Institute, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2023: none).

As members of the Institute, none of the trustees 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 £29,779 (2023: £24,206).

10 Taxation

The Sisters of Providence of Ruillé-sur-Loir CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings £	Long leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January and 31 December 2024	669,627	341,765	18,912	13,189	1,043,493
Depreciation					
At 1 January 2024	138,225	17,554	18,379	13,188	187,346
Charge for the year	13,393	6,835	530	—	20,758
At 31 December 2024	151,618	24,389	18,909	13,188	208,104
Net book values					
At 31 December 2024	518,009	317,376	3	1	835,389
At 31 December 2023	531,402	324,211	533	1	856,147

As permitted under Financial Reporting Standard 102 the charity has adopted a policy of not revaluing its tangible fixed assets. All tangible fixed assets are stated at cost.

It is likely that there are differences between the open market value of the freehold land and buildings and their book values. These arise because of the specialised nature of the property. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

12 Fixed asset investments

At 31 December 2024 fixed asset investments comprised:

	2024 £	2023 £
Freehold investment property	1,775,000	1,775,000
Listed investments and cash held for re-investment	4,840,660	4,504,147
	6,615,660	6,279,147

Freehold investment property

	2024 £	2023 £
Fair (market) value at 1 January 2024 and 31 December 2024	1,775,000	1,775,000

The charity's freehold investment property is included at fair value based on open market value. It was re-valued formally on 31 December 2022. The valuation was determined on an open market basis by ehB Reeves, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuations Standards (the "Red Book"). The Trustees have assessed whether there have been any material movements since this date and have concluded that there have not been any.

12 Fixed asset investments (continued)

	2024 £	2023 £
Market value at 1 January 2024	4,438,863	4,459,959
Additions at cost	1,005,661	2,569,622
Disposals at opening book value (proceeds: £1,002,062, gains: £17,479)	(984,583)	(2,867,813)
Net unrealised investment gains	352,084	277,095
Market value at 31 December 2024	4,812,025	4,438,863
Cash held by investment manager	28,635	65,284
	4,840,660	4,504,147
Cost of listed investments as at 31 December 2024	4,225,315	4,113,777

Listed investments

Listed investments held at 31 December 2024 comprised the following:

	2024 £	2023 £
Government stocks	—	95,338
UK fixed interest and corporate bonds	822,868	799,972
UK equities	104,441	157,020
Overseas equities	3,102,672	2,561,175
UK unit trusts	293,811	324,755
Overseas unit trusts	488,232	500,602
	4,812,025	4,438,862

At 31 December 2024, the investment portfolio included the following holdings which represented a material proportion of the total value of the fixed asset portfolio.

	Percentage of portfolio %	Market value £'000
Fidelity Inv Funds Asia Fund W Acc	6.88	331,000
Global Access Corporate Bond M	5.09	244,898
Robeco QI Emerging Cons Eqts Shs G	5.61	270,192

13 Pension contracts

The charity contributed to both a deferred annuity contract and a stakeholder pension scheme administered to provide benefits in respect to individual members of the Institute. Under the terms of the deferred annuity contract, the assets are invested in a With Profits Deferred Policy on the lives of certain scheme members to provide a pension of £8,270 per annum on the member reaching the normal vesting date, which is the age of 65. The policy also includes a guaranteed cash option at normal vesting date under which the charity may exchange pension for a cash sum to be used in such manner as the trustees decide. The deferred annuity contract is with Phoenix Life.

13 Pension contracts (continued)

The stakeholder pension contract is a money purchase contract, under which the premiums paid are invested in the unitised Stakeholder With Profits Fund and the Stakeholder Managed Fund administered by Standard Life. Under the terms of the contract the charity contributes a sum of money on an annual basis which is invested equally in the two funds. The value of the benefit will depend on the amounts invested and performance of the assets underlying the funds.

14 Debtors

	2024 £	2023 £
Prepayments and accrued income	5,298	20,122

15 Creditors

	2024 £	2023 £
Amount due to the Generalate	250,000	300,000
Accruals	36,653	32,747
	286,653	332,747

16 Tangible fixed assets fund

	£
At 1 January 2024	856,147
Net movements in year	(20,758)
At 31 December 2024	835,389

The tangible fixed assets fund represents the net book value of the charity's freehold properties and other tangible fixed assets. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets were essential to the day-to-day work of the charity and as such their value did not represent reserves available to finance operations.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024 £	New designations £	Utilised or realised £	At 31 December 2024 £
Communities fund	51,464	84,903	(74,945)	61,422
Retirement fund	5,125,000	—	—	5,125,000
Financing and Congregational fund	871,341	—	(243,462)	627,879
	6,047,805	84,903	(318,407)	5,814,301

17 Designated funds (continued)

	At 1 January 2023 £	New designations £	Utilised or realised £	At 31 December 2023 £
<i>Communities fund</i>	40,739	67,125	(56,400)	51,464
<i>Retirement fund</i>	5,125,000	—	—	5,125,000
<i>Financing and Congregational fund</i>	1,171,341	—	(300,000)	871,341
	<u>6,337,080</u>	<u>67,125</u>	<u>(356,400)</u>	<u>6,047,805</u>

♦ **Communities fund**

This fund relates to cash and bank balances held by the communities to meet their day-to-day costs. As these amounts have been assigned to the communities, the trustees believe that a separate fund should be designated for this purpose. The transactions on the funds, including designations released (and new designations) being transfers to (and from) the charity's central bank accounts, represent the net movement in the communities' cash and bank balances during the year.

♦ **Retirement fund**

A fund had been designated in respect to the charity's commitment to provide for the care of the members of the Institute in old age and sickness. The trustees have set aside assets equal to £5,125,000 for this purpose. This figure is re-assessed at the end of each year and adjusted if necessary.

♦ **Financing and Congregational fund**

This fund has been established to finance grants and donations including contributions to the Congregation's work overseas.

18 Analysis of net assets between funds

The fund balances at 31 December were represented by the following assets and liabilities:

	Designated funds £	Tangible fixed assets fund £	General funds £	2024 Total £
Balances at 31 December 2024 are represented by:				
Tangible fixed assets	—	835,389	—	835,389
Investments	5,752,879	—	862,781	6,615,660
Net current assets	61,422	—	25,890	87,312
	<u>5,814,301</u>	<u>835,389</u>	<u>888,671</u>	<u>7,538,361</u>

18 Analysis of net assets between funds (continued)

	Designated funds £	Tangible fixed assets fund £	General funds £	2023 Total £
<i>Balances at 31 December 2023 are represented by:</i>				
<i>Tangible fixed assets</i>	—	856,147	—	856,147
<i>Investments</i>	5,996,341	—	282,806	6,279,147
<i>Net current assets</i>	51,464	—	281,048	332,512
	<u>6,047,805</u>	<u>856,147</u>	<u>563,854</u>	<u>7,467,806</u>

The total unrealised gains as at 31 December 2024 constitute movements on revaluations of investments and are as follows:

	2024 £	2023 £
Total unrealised gains at 31 December 2024	2,284,710	2,023,085
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2024	2,023,085	1,989,707
In respect to disposals in year	(90,459)	(243,717)
Net gains (losses) arising on revaluation of listed investments in the year	352,084	277,095
Unrealised gains at 31 December 2024	<u>2,284,710</u>	<u>2,023,085</u>

19 Ultimate control and liability of members

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

20 Related party transactions

Sister Gillian Murphy, a trustee of the CIO, serves as the Regional Delegate for France and England to the Generalate of the Institute in France. There were donations of £243,462 during the year from the CIO to the Generalate (2023: £300,000).

Donations by the trustees to the charity are disclosed in note 9 to these accounts.

There are no other related party transactions requiring disclosure in these accounts (2023: none).

21 Events after the end of the reporting period

The sale of the freehold property completed in January 2025 with net sale proceeds of £538,617 giving rise to a surplus on disposal of £20,608.

THE SISTERS OF PROVIDENCE OF RUILLE-SUR-LOIR

England & Wales - Charity number 1177083

Accounts

The Sisters of Providence of Ruillé-sur-Loir CIO

Annual Report and Accounts

31 December 2023

Charity Registration Number
1177083

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Reference and administrative information Year to 31 December 2023

Trustees	Sister Ann Heaney Sister Gillian Murphy Sister Eileen Keane
Principal contact	Sister Gillian Murphy
Principal address	65 Nettleham Road Lincoln LN2 1RT
Charity registration number	1177083
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Lloyds Bank plc 202 High Street Lincoln LN5 7AP
Investment managers	Barclays Wealth Management Limited 1 Churchill Place London E14 5HP
Solicitors	Gateley plc Park View House 58 The Ropewalk Nottingham NG1 5DW

The trustees present the report and accounts of The Sisters of Providence of Ruillé-sur-Loir 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 24 to 28 of the attached accounts and comply with the charity's constitution, applicable laws and the requirements of Statement of Recommended Practice on 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).

Introduction

The Institute of The Sisters of Providence of Ruillé-sur-Loir (the 'Institute') is an international Congregation of Roman Catholic women founded in the aftermath of the French Revolution in the small village of Ruillé-sur-Loir in the diocese of Le Mans, in France. At the end of that century, because legislation in France was becoming anti-clerical and anti-religious, some of the sisters came to England to carry out their work. The Institute continued to spread to other countries during the following century, first to Belgium and the Netherlands, then to Sri Lanka and Madagascar. These countries now comprise separate Regions of the Institute.

Since its foundation in 1806, the Institute's purpose is to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn. During 2015 the Institute fused with a smaller Congregation of Sisters of Providence of Sees. This Congregation of some 40 elderly French sisters at that time has now become part of the Institute. The Institute now numbers about 230 members spread through the above countries. The Institute, with its Generalate in Le Mans, has always been outward looking and each Region shares in the mission undertaken in any part of the world where the sisters are present.

The accounts accompanying this report are the accounts of the charity through which the activities and assets of the Institute in England are administered. The charity is a Charitable Incorporated Organisation (CIO) and is governed by a Constitution dated 9 February 2018 and is registered under the Charities Act 2011 – Charity Registration Number: 1177083.

Mission

The object of The Sisters of Providence of Ruillé-sur-Loir CIO is to advance the religious and other charitable work of the sisters of the Institute.

By caring for individual members of the Institute throughout their lives within the Institute, the charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a variety of religious and other charitable works.

When setting the objectives and planning the work of the charity, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Mission (continued)

The works or ministries of the sisters of the Institute fall into the following main areas:

- ◆ **Worship and prayer**
Members of the Institute are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Institute celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services.
- ◆ **Social and pastoral work**
Since its formation, the Institute's (and hence the sisters') purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn.
- ◆ **Supporting other parts of the Institute**
The charity supports the work of the Institute overseas by the provision of grants and donations for specific projects.

Activities, specific achievements and relevant policies

Activities and specific achievements

As stated above under "Mission", the aims of the charity are to care for individual members of the Institute throughout their lives with the Institute and so enable and support them to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

There are five sisters in England, and one sister who divides her time between England and the rest of the Institute. One sister continues to live in France as part of a new international community in Brittany, in the birth place of our founders and the founder of the American congregation. This community welcomes sisters from all parts of the Institute as well as being at the service of the local area and the tourists and pilgrims who visit.

- ◆ **Caring for members of the Institute**
In common with many religious congregations in England, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations declines. The average age of the sisters in England is 81 years.

The Institute 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 most of their lives to education and the care of other people.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Caring for members of the Institute (continued)

This obligation also means caring for the members of the Institute in the Region, particularly those who are in poor health, enabling them to continue with their individual apostolate for as long as they are willing and able, ensuring that all members receive the level of care they need and deserve, and giving them the quality of life they have a right to expect. Whatever their age or state of health, all sisters are encouraged to share in the mission of the Institute, whether that be by being involved in administration or being part of the welcoming community, interested in the wellbeing of our visitors and friends, and when able, engaging in activities involving members of the public or simply by their prayer.

In May 2023, a Sister from the community in the North of Lincoln went into full time care. Another sister has moved into the same apartment block for seniors as two other sisters, meaning that they can support each other and continue to live as a community.



“Sr Marie Claire is well settled in Hartsholme House and is being well cared for. We visit regularly and take part in many activities that are organised for the residents. This year they have included a party for the Coronation, a beach party, a Christmas dinner and the opportunity to spend time on Christmas Day. There are regular meetings organised for relatives and friends.”

♦ Worship and prayer

As well as providing the necessary means for the sisters to fulfil their spiritual obligations and needs, the sisters celebrate and pray with the wider community including people of other faiths and none. They do this through the provision of spiritual guidance or just being available to listen in times of need, and by joining with the public in Liturgical Celebrations in the local Catholic Parish Church or Anglican Churches.

“Ecumenically we join in Jewish Christian functions and services and we joined a group from the Church and our Apartments to visit the Jewish Holocaust Museum in Nottinghamshire. A good number of Anglican and Methodists join us for events at SS Peter and Paul’s and we have joint events in our residents’ lounge.”

The use of Zoom is a useful means of continuing the mission of prayer and spiritual nourishment for the sisters.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Worship and prayer

The sisters continue to hold regular meetings in their community and invite various people to get together for important liturgical moments.

Parishioners also ring up with prayer requests and the sisters ensure that parishioners know that they are included in the thoughts and prayers of the sisters, thus bringing much consolation to people in need at this time.

♦ Social and pastoral work

The sisters' vocation calls them to "witness to the love and goodness of the Father." This they do in their various ministries following the example of their Founders and in line with the charism and aims of the Institute. These ministries can be divided into specifically religious works and general pastoral work.

Religious works

Religious works include:

♦ Ministries in local parishes

Those sisters who are able, participate in ministry in the parish, helping to organise prayer and liturgy, participating in ministry during the services and especially in taking communion to the sick and housebound. This ministry is much appreciated by people who can no longer attend church but have a deep desire to be connected. Many of these elderly people are also isolated so it is an opportunity for them to receive news and have some company.

"At the beginning of the year we were thrust into a situation that in these days is all too common. We ere involved in the tragedy of a young man's suicide. In our capacity of Religious Sisters we were able to accompany the family in their distress. We were alongside and able to arrange a private blessing for his mother and brothers at the Undertakers. We were with them at the cremation and have since kept in touch to comfort and support them. We have participated in many other funerals during the year, some of them for younger people and former pupils among them."

At Diocesan level, the sisters attend events at the Cathedral in Nottingham and join with other Religious by means of regular zoom meetings. They have also participated in meetings for the preparation of the Synod, both at Parish and Deanery levels.

♦ Retreats, spiritual direction and related activities

The Sisters are sometimes called upon to give spiritual input at important times of the year. This year they organised a gathering in preparation for Christmas in the apartment block. They continue to organise meetings for the Spiritual Family of the congregation both in London and in Lincoln.

Activities, specific achievements and relevant policies *(continued)*

Activities and specific achievements *(continued)*

◆ Retreats, spiritual direction and related activities *(continued)*

"Some meetings for the Friends of Providence were held in the earlier part of the year, both in Lincoln and London. We have started to study Laudato Si and develop our awareness of the care of creation in line with the orientations given by the Congregation."

General pastoral work

This area of work includes:

◆ Solidarity with the poor and the lonely

As a result of the economic crisis, one initiative that has developed this year is the provision of "warm meeting places". Elderly, isolated and poor people meet socially for tea and refreshments, conversation and games and even appropriate exercise. Many residents of the apartment block and other neighbours take advantage of this activity in our parish hall in an effort to combat loneliness and illness.



"We feel that we have a public welfare role in the Apartments as we join with the residents in organised activities, small group social meetings, and we seem to be appreciated for our way of life and willingness to assist, encourage and provide a listening ear when needed. Quite a number say they have never met religious sisters before and are quite enlightened by the experience!"

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ School, hospital and ecumenical chaplaincies

The sisters have good relationships with the local schools.

"We have done our best to support the young teachers who now have responsibility in teaching and chaplaincy. We have been able to pass on materials to the primary and secondary schools that they can use to enhance their mission."

The staff of Lincoln Minster School, which was founded partly on the former Convent School of St Joseph's have been delighted to have been given Archival material from the Sisters.

• Participation in the life of the Institute

The Sisters in Europe are finding it increasingly difficult to travel, to meet and to participate in traditional ways. However, the sisters in England, despite their age, have become increasingly proficient in using social media and technology.

"We have kept in touch with the other sisters of the Congregation by participating in Zoom meetings. We were also able to attend a European meeting in Lille where we were able to participate in the preparation for our upcoming Chapter, which is so important for the future of the Congregation."

♦ Administrative work for the Institute and Region

One sister, who is the Assistant General for the Congregation oversees the administration for the Sisters in England and looks after the letting of the house in London. She also translates the documents of the congregation into English or French for the benefit of the English speaking sisters. She has been able to visit the countries in the global south to take stock of how the charity's financial aid is being used.

♦ Supporting other parts of the Institute

One sister in Lincoln has been giving English lessons via Whatsapp to a sister from Madagascar who is on the General Council.

This year the Assistant general has been involved in helping the sisters from Madagascar and Sri Lanka to become more financially independent by helping the sisters to look for grants for their projects. During her visits to Sri Lanka and Madagascar she was able to understand more the needs of the various projects, and in turn help the sisters with various funding applications with some success.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)



Abandoned cancer patients Sri Lanka



Food programme Madagascar

The sisters in England are supporting the refurbishment project of the Mother House in France. This house is at the heart of the congregation and is in need of modernisation in order to be able to serve as a base for the whole congregation. The works will also allow the congregation to expand its ministry both locally and internationally.

Investment policy

◆ Listed investments

Under the charity's constitution, the trustees may invest in any investments authorised by law. During the year, the charity's investments were managed by Barclays Wealth Management Limited.

The charity's investment policy is to maintain a balanced return from both income and capital with a medium level of risk. The trustees, on the advice of the professional and lay advisers, review the policy annually. The trustees believe that the social and Gospel values of the Catholic Church should be present in the manner in which money is invested and in the way it is used to enhance the development of the charity and the achievement of its objectives. Investments are to be ethically chosen, whilst being mindful of the Charities Act requirement to seek the best possible returns. To achieve this we maintain a diversified investment portfolio.

The performance of the portfolio and the charity's investment strategy have been reviewed by the trustees whose representatives meet with the investment managers every six months.

◆ Investment property

The charity has one property which is rented out to tenants at a commercial rental and which is classified in the accounts as an investment property.

Activities, specific achievements and relevant policies (continued)

Investment policy (continued)

♦ Annuity and pension contracts

As the sisters are members of a religious congregation and have taken a vow of poverty, any rights they might have to assets and income have been given over to the Institute which, therefore, is responsible for their upkeep and well-being.

The charity has been putting aside monies in a "Pension Scheme" (deferred annuity contracts) for each sister over the last twenty or more years. The scheme provider is Phoenix Life (previously Royal Insurance Company Limited).

Under the terms of the contract, on a member of the scheme reaching the age of 65, the charity may receive either an agreed (guaranteed) basic annuity (pension) over the remaining life of the scheme member together with any bonuses attaching thereto, or receive a cash option in exchange for the 'pension'.

Financial review

Results for the year

A summary of the results for the year to 31 December 2023 can be found on page 21 of this report and accounts.

Total income amounted to £285,717 (2022: £229,986). Total pensions income included within donations in the year amounted to £84,396 (2022: £65,773). All pensions are covenanted to the charity. Legacies of £47,293 (2022: nil) were received in the year. Investment income and interest receivable totalled £151,136 (2022: £162,735) and included rental income of £35,764 (2022: £39,175) from the investment property.

Expenditure totalled £546,507 (2022: £286,461). Expenditure incurred on maintaining the members of the Institute and supporting them in their pastoral work and ministry amounted to £201,435 (2022: £145,475). Fees paid to the charity's investment managers during the year amounted to £33,344 (2022: £33,241) and expenditure incurred on the investment property amounted to £5,807 (2022: £5,702). Charitable grants and donations amounted to £305,921 (2022: £102,043). In 2023 and 2022 these donations were principally in support of the overseas work of the Institute.

Net expenditure for the year before investment losses or gains, therefore, was £260,790 (2022: net expenditure £56,475). Net gains on listed investments of £321,582 (2022: net losses of £554,592 and gains on revaluation of the investment property of £1,698,000) resulted in a net increase in funds for the year of £60,792 (2022: net increase in funds of £1,086,933).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out earlier in this report.

Financial review (continued)

Investment performance (continued)

During the period, the charity's listed investments achieved an income yield of 2.6% (2022: 2.6%) and a capital yield of nil (2022: minus 11.6%). Further details of the investment portfolio are included in note 12 to the attached accounts.

The trustees take a long term view and believe their investment policy should continue to be applied.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of the religious members whose average age is increasing and whose needs are changing.

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, investment property, designated for specific purposes, or otherwise committed. In considering the level of reserves, trustees take into account forecasts of future income and expenditure, potential needs and risks, and the need to ensure the continuity of activity.

Given the nature of the charity's work and the increasing, often unpredictable, call on its resources to provide continuing essential care to its members, especially those impaired by age and illness, the trustees believe that the level of free reserves may be up to thirty six months' worth of expenditure without giving rise to concern.

Financial position

At 31 December 2023, the charity had net assets totalling £7,467,806 (2022: £7,407,014). Of this, £856,147 (2022: £713,799) was represented by properties and other tangible fixed assets essential for the support and work of the sisters, £5,125,000 (2022: £5,125,000) represented a retirement reserve designated to provide an income to maintain the sisters as they grow older.

Community funds, being the cash and bank balances held by communities and designated or set aside to meet their day-to-day costs, amounted to £51,464 (2022: £40,739).

The trustees have also set aside £871,341 (2022: £1,171,341) in a Financing and Congregational fund with the broad intention to use the fund for making donations including contributions to the Congregation's work overseas. It is expected that the money will continue to be invested and income from this fund will be used to fund future donations.

Financial review (continued)

Reserves policy and financial position (continued)

Therefore, at 31 December 2023, funds which are available to support the work of the sisters in the future are those shown on the balance sheet as general funds and total £563,854 (2022: £356,135). The trustees are of the opinion that this level of free reserves was adequate.

Future plans

Major renovation works commenced at the Congregation's Mother House in France in September 2023. It is anticipated that the charity will contribute to the financial cost of this work.

The sisters will also be considering the future of the property at Netteham Road, Lincoln.

Governance, structure and management

In terms of Canon Law, the Institute is governed by a Superior General and General Council elected at a six-yearly General Chapter made up of representatives elected by all the professed members of the Institute. Being too small to be divided into Provinces, the Institute was divided into three geographical Regions: Sri Lanka and Madagascar each with a Regional Superior and her three councillors and the European Region (comprising England, Belgium, France and the Netherlands) with a Delegate appointed from each of these countries. England, now part of the Region of Europe, is financially autonomous.

In terms of civil law, the charity is governed by three trustees appointed having regard to their years of experience. Those now holding office have all been involved in teaching and the administration of educational establishments, subsequently widening their experience in other pastoral activities. Trustees are appointed for three yearly terms to ensure renewal and balance of competence. They attend conferences on charity law and other topics relevant to the charity's activities.

The names of the trustees who served during 2023 are set out on page 1 of this annual report and accounts.

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

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 year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

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

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

Key management

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.

All trustees are members of the Institute and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or work as key management.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that systems are in place to mitigate exposure to these risks.

The trustees recognise their responsibility for the management of risks faced by the charity, the Institute in England and its individual members.

The trustees continue to review and update the charity's risks.

Governance, structure and management (continued)

Risk management (continued)

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

- ◆ An analysis of the age profile of the members of the Institute shows that the average age in England at 31 December 2023 was 81 years. The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters.

Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.
- ◆ The charity donates monies in support of the wider Institute and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Institute. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ Operationally the charity works with children and vulnerable adults including older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers.

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.

Governance, structure and management (continued)

Fundraising policy

The charity aims to achieve best practice in the way in which they communicate with donors and other supporters. Care is taken with both the tone of communications and the accuracy of data to minimise the pressures on supporters. Best practice is applied to protect supporters' data and data is never sold, swapped and communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding fundraising activities and to learn from them. During 2023, the charity received no complaints about its fundraising activities.

Members of the Institute

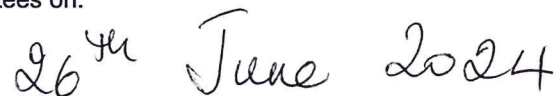
The trustees wish to record their recognition of the professionalism and commitment of individual members of the Institute. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:



Trustee

Approved by the trustees on:



Independent auditor's report to the trustees of The Sisters of Providence of Ruillé-sur-Loir CIO

Opinion

We have audited the accounts of The Sisters of Providence of Ruillé-sur-Loir CIO for the year ended 31 December 2023, 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 2023 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 to 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 management and 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; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

- ◆ Making enquiries of management and 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 financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of 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 financial statements 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 this report

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



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 12 July 2024

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 2023

	Notes	2023 Total funds £	2022 Total funds £
Income from:			
Donations and legacies	1	133,040	67,251
Investments and interest receivable	2	151,136	162,735
Other sources			
. Surplus on disposal of tangible fixed assets	3	800	—
. Miscellaneous		741	—
Total income		285,717	229,986
Expenditure on:			
Raising funds			
. Investment management fees		33,344	33,241
. Investment property costs		5,807	5,702
Charitable activities			
. Support of members of the Institute and their ministry	4	201,435	145,475
. Charitable grants and donations	5	305,921	102,043
Total expenditure		546,507	286,461
Net expenditure before investment (losses) gains		(260,790)	(56,475)
Net gains/(losses) on listed investments	12	321,582	(554,592)
Gain on revaluation of investment property	12	-	1,698,000
Net movement in funds	7	60,792	1,086,933
Reconciliation of funds:			
Funds balances at 1 January 2023		7,407,014	6,320,081
Funds balances at 31 December 2023		7,467,806	7,407,014

All income and expenditure related to unrestricted funds in both of the above accounting periods.

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

Balance sheet 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		856,147		713,799
Investments	12		6,279,147		6,290,818
			<u>7,135,294</u>		<u>7,004,617</u>
Current assets					
Debtors	14	20,122		1,119	
Cash at bank and in hand		<u>645,137</u>		<u>453,924</u>	
		665,259		455,043	
Current liabilities					
Creditors: amounts falling due within one year	15	(332,747)		(52,646)	
Net current assets			<u>332,512</u>		<u>402,397</u>
Total net assets			<u>7,467,806</u>		<u>7,407,014</u>
The funds of the charity					
Unrestricted income funds					
. Tangible fixed assets fund	16		856,147		713,799
. Designated funds	17		6,047,805		6,337,080
. General funds			<u>563,854</u>		<u>356,135</u>
			<u>7,467,806</u>		<u>7,407,014</u>

Approved by the trustees and signed on their behalf by:

G.M. Murphy

G.M.Murphy

Trustee

Approved on:

26th June 2024

Statement of cash flows Year to 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(130,283)	(211,611)
Cash flows from investing activities:			
Investment income and interest received		150,549	163,081
Proceeds from the disposal of tangible fixed assets		800	—
Purchase of tangible fixed assets		(163,106)	—
Proceeds from the disposal of investments		2,912,300	767,252
Purchase of investments		(2,569,622)	(695,876)
Net cash provided by investing activities		330,921	234,457
Change in cash and cash equivalents in the period		200,638	22,846
Cash and cash equivalents at 1 January 2023		509,783	486,937
Cash and cash equivalents at 31 December 2023	B	710,421	509,783

Notes to the statement of cash flows for the period 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)	60,792	1,086,933
Adjustments for:		
Depreciation charge	20,758	20,996
(Gains) losses on listed investments	(321,582)	554,592
Unrealised gain on revaluation of investment property	-	(1,698,000)
Investment income and interest receivable	(151,136)	(162,735)
Surplus on disposal of tangible fixed assets	(800)	—
(Increase) decrease in debtors	(18,416)	424
Increase (Decrease) in creditors	280,101	(13,821)
Net cash used in operating activities	(130,283)	(211,611)

B Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	645,137	453,924
Cash held by investment managers	65,284	55,859
Total cash and cash equivalents	710,421	509,783

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

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 period to 31 December 2023 with comparatives given for 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 only areas in the accounts where such judgements and estimates have been made are in respect to:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ Estimating the fair value of investment properties;
- ◆ Determining the amounts to be set aside as designated funds; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees 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.

Assessment of going concern (continued)

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

Income 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, legacies, investment income, interest receivable, rental 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.

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

Entitlement to legacies is taken as the earlier of the date on which either: the charity is aware that probate has been granted or the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made; or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from listed Investments is recognised once the dividend or relevant income has been declared and notification has been received of the amount due. Rental income from investment property is recognised at the date at which the charity is entitled to such income under the relevant tenancy agreement.

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)

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

All other income, including rental 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. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees and costs incurred in connection with the charity's investment property.
- ◆ 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 charitable grants and donations, costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

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 activity of supporting members of the Institute and enabling their ministry as any support and/or governance costs in relation to the provision of donations and grants is considered to be negligible.

Pension costs

The charity contributes to two pension arrangements for its members. A deferred annuity contract and a stakeholder contract, both of which are defined contribution pension schemes. Contributions in respect to both defined contribution schemes are charged to the statement of financial activities as they fall due.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Land and buildings

Land and buildings comprise freehold and long leasehold buildings. Depreciation is provided on both freehold and long leasehold properties at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the charity.

Freehold land and buildings owned by the charity since 1 January 1996 are included on the balance sheet at their estimated valuation as at that date net of accumulated depreciation. The valuations were determined by the trustees with professional assistance on the basis of replacement cost for existing use. Under the transitional provisions of FRS 102, these valuations are now regarded as deemed cost. Additions to freehold land and buildings since that date are included at cost.

◆ Fixtures and fittings

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ 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.

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.

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally 31 December 2022 on an open market basis by ehB Reeves, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuation Standards (the 'Red Book').

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 are 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 accounting

The charity's funds comprise a number of unrestricted income funds which are available for application towards the charity's objectives. Within unrestricted funds the trustees have identified those non-liquid funds represented by tangible fixed assets and have designated certain amounts for specific purposes. Details of these funds are given in notes 16 and 17 to the accounts.

Services provided by members of the Institute

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

1 Income from: Donations and legacies

	2023 £	2022 £
Pensions of individual religious received under Gift Aid or Deed of Covenant	84,396	65,773
Legacies	47,293	-
Donations	1,351	1,478
	133,040	67,251

2 Income from: Investments and interest receivable

	2023 £	2022 £
Income from listed investments	113,883	123,442
Interest receivable		
. Bank interest	1,489	118
Income from investment property		
. Rental income	35,764	39,175
	151,136	162,735

3 Income from: Surplus on disposal of tangible fixed assets

	2023 £	2022 £
Disposal of motor vehicles	800	—

4 Expenditure on: Support of members of the Institute and their ministry

	2023 £	2022 £
Premises	42,787	43,891
Sisters' living and ministry expenses	139,675	84,794
Education, training and spiritual renewal	2,973	2,296
Governance costs (note 6)	16,000	14,494
	201,435	145,475

5 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the overseas work of the Institute.

The grants and donations payable during the year were as follows:

	2023 £	2022 £
Contribution to the Generalate of The Sisters of Providence of Ruillé-sur-Loir	300,000	55,800
Donation to the missions of The Sisters of Providence of Ruillé-sur-Loir		
. Madagascar	—	21,500
. Sri Lanka	5,000	22,700
Donations of less than £1,000 each	921	2,043
	305,921	102,043

6 Governance costs

	2023 £	2022 £
Legal and professional fees	2,252	2,650
Auditor's remuneration	13,748	11,844
	16,000	14,494

7 Net movement in funds

This is stated after charging:

	2023 £	2022 £
Auditor's remuneration (including VAT)		
. Statutory audit services	13,448	11,844
. Other advisory services	300	—
Depreciation	20,758	20,996

8 Staff costs

The charity had no employees during the year (2022: none).

9 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Institute and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Institute, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2022: none).

As members of the Institute, none of the trustees 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 £24,206 (2022: £21,316).

10 Taxation

The Sisters of Providence of Ruillé-sur-Loir CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings £	Long leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2023	669,627	178,659	18,912	20,748	887,946
Additions	-	163,106	-	-	163,106
Disposals	-	-	-	(7,559)	(7,559)
At 31 December 2023	<u>669,627</u>	<u>341,765</u>	<u>18,912</u>	<u>13,189</u>	<u>1,043,493</u>
Depreciation					
At 1 January 2023	124,832	10,719	17,849	20,747	174,147
Charge for the year	13,393	6,835	530	-	20,758
Disposals	-	-	-	(7,559)	(7,559)
At 31 December 2023	<u>138,225</u>	<u>17,554</u>	<u>18,379</u>	<u>13,188</u>	<u>187,346</u>
Net book values					
At 31 December 2023	<u>531,402</u>	<u>324,211</u>	<u>533</u>	<u>1</u>	<u>856,147</u>
At 31 December 2022	<u>544,795</u>	<u>167,940</u>	<u>1,063</u>	<u>1</u>	<u>713,799</u>

As permitted under Financial Reporting Standard 102 the charity has adopted a policy of not revaluing its tangible fixed assets. All tangible fixed assets are stated at cost.

It is likely that there are differences between the open market value of the freehold land and buildings and their book values. These arise because of the specialised nature of the properties. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

The original cost of the freehold land and buildings cannot be ascertained with accuracy without incurring significant research time and costs which in the opinion of the trustees are not justified.

12 Fixed asset investments

At 31 December 2023 fixed asset investments comprised:

	2023 £	2022 £
Freehold investment property	1,775,000	1,775,000
Listed investments and cash held for re-investment	4,504,147	4,515,818
	<u>6,279,147</u>	<u>6,290,818</u>

Freehold investment property

	2023 £	2022 £
Fair (market) value at 1 January 2023	1,775,000	—
Reclassification from tangible fixed assets (note 11)	—	77,000
Revaluation gain in the year	—	1,698,000
Fair (market) value at 31 December 2023	<u>1,775,000</u>	<u>1,775,000</u>

12 Fixed asset investments (continued)***Freehold investment property (continued)***

The charity's freehold investment property is included at fair value based on open market value. It was re-valued formally on 31 December 2022. The valuation was determined on an open market basis by ehB Reeves, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuations Standards (the "Red Book"). The Trustees have assessed whether there have been any material movements since this date and have concluded that there have not been any.

Listed investments

	2023 £	2022 £
Market value at 1 January 2023	4,459,959	5,085,927
Additions at cost	2,569,622	695,876
Disposals at opening book value (proceeds: £2,912,300, gains: £44,487)	(2,867,813)	(831,863)
Net unrealised investment gains/(losses)	277,095	(489,981)
Market value at 31 December 2023	4,438,863	4,459,959
Cash held by investment manager	65,284	55,859
	4,504,147	4,515,818
Cost of listed investments as at 31 December 2023	4,113,777	4,168,253

Listed investments held at 31 December 2023 comprised the following:

	2023 £	2022 £
Government stocks	95,338	—
UK fixed interest and corporate bonds	799,972	815,481
UK equities	157,020	983,044
Overseas equities	2,561,175	1,816,308
UK unit trusts	324,755	364,855
Overseas unit trusts	500,602	480,271
	4,438,862	4,459,959

At 31 December 2023, the investment portfolio included the following holdings which represented a material proportion of the total value of the fixed asset portfolio.

	Percentage of portfolio %	Market value £'000
Fidelity Inv Funds Asia Fund W Acc	6.71	298,000
Global Access Corporate Bond M	5.00	221,802
Robeco QI Emerging Cons Eqts Shs G	5.69	252,638

13 Pension contracts

The charity contributed to both a deferred annuity contract and a stakeholder pension scheme administered to provide benefits in respect to individual members of the Institute. Under the terms of the deferred annuity contract, the assets are invested in a With Profits Deferred Policy on the lives of certain scheme members to provide a pension of £8,270 per annum on the member reaching the normal vesting date, which is the age of 65. The policy also includes a guaranteed cash option at normal vesting date under which the charity may exchange pension for a cash sum to be used in such manner as the trustees decide. The deferred annuity contract is with Phoenix Life.

The stakeholder pension contract is a money purchase contract, under which the premiums paid are invested in the unitised Stakeholder With Profits Fund and the Stakeholder Managed Fund administered by Standard Life. Under the terms of the contract the charity contributes a sum of money on an annual basis which is invested equally in the two funds. The value of the benefit will depend on the amounts invested and performance of the assets underlying the funds.

14 Debtors

	2023 £	2022 £
Prepayments and accrued income	20,122	1,119

15 Creditors

	2023 £	2022 £
Amount due to the Generalate	300,000	—
Accruals	32,747	39,295
Deferred income	—	13,351
	332,747	52,646

Deferred income in 2022 was related to rental income in respect to the charity's investment property received but not due until 2023.

16 Tangible fixed assets fund

	£
At 1 January 2023	713,799
Net movements in year	142,348
At 31 December 2023	856,147

The tangible fixed assets fund represents the net book value of the charity's freehold properties and other tangible fixed assets. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets were essential to the day-to-day work of the charity and as such their value did not represent reserves available to finance operations.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	New designations £	Utilised or realised £	At 31 December 2023 £
Communities fund	40,739	67,125	(56,400)	51,464
Retirement fund	5,125,000	-	-	5,125,000
Financing and Congregational fund	1,171,341	-	(300,000)	871,341
	6,337,080	67,125	(356,400)	6,047,805

	At 1 January 2022 £	New designations £	Utilised or realised £	At 31 December 2022 £
Communities fund	93,727	40,609	(93,597)	40,739
Property repair and replacement fund	171,341	—	(171,341)	—
Retirement fund	3,350,000	1,775,000	—	5,125,000
Financing and Congregational fund	850,000	321,341	—	1,171,341
	4,465,068	2,136,950	(264,938)	6,337,080

◆ Communities fund

This fund relates to cash and bank balances held by the communities to meet their day-to-day costs. As these amounts have been assigned to the communities, the trustees believe that a separate fund should be designated for this purpose. The transactions on the funds, including designations released (and new designations) being transfers to (and from) the charity's central bank accounts, represent the net movement in the communities' cash and bank balances during the year.

◆ Property repair and replacement fund

The property repair and replacement fund represents an amount designated by the trustees to finance potential future expenditure on purchasing and modifying properties to accommodate older and frail sisters.

◆ Retirement fund

A fund had been designated in respect to the charity's commitment to provide for the care of the members of the Institute in old age and sickness. The trustees have set aside assets equal to £5,125,000 for this purpose. This figure is re-assessed at the end of each year and adjusted if necessary.

◆ Financing and Congregational fund

This fund has been established to finance grants and donations including contributions to the Congregation's work overseas.

18 Analysis of net assets between funds

The fund balances at 31 December were represented by the following assets and liabilities:

	Designated funds £	Tangible fixed assets fund £	General funds £	2023 Total £
Balances at 31 December 2023 are represented by:				
Tangible fixed assets	—	856,147	—	856,147
Investments	6,047,805	—	231,342	6,279,147
Net current assets	—	—	332,512	332,512
	6,047,805	856,147	563,854	7,467,806

	Designated funds £	Tangible fixed assets fund £	General funds £	2022 Total £
<i>Balances at 31 December 2022 are represented by:</i>				
<i>Tangible fixed assets</i>	—	713,799	—	713,799
<i>Investments</i>	6,290,818	—	—	6,290,818
<i>Net current assets</i>	47,062	—	356,135	403,197
	6,337,080	713,799	356,135	7,407,014

The total unrealised gains as at 31 December 2023 constitute movements on revaluations of investments and are as follows:

	2023 £	2022 £
Total unrealised gains at 31 December 2023	2,023,085	1,989,707
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2023	1,989,707	874,387
In respect to disposals in year	(243,717)	(92,699)
Net gains (losses) arising on revaluation of listed investments in the year	277,095	(489,981)
Net gains arising on revaluation of freehold investment property in the year	-	1,698,000
Unrealised gains at 31 December 2023	2,023,085	1,989,707

19 Ultimate control and liability of members

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

20 Related party transactions

Sister Gillian Murphy, a trustee of the CIO, serves as the Assistant General to the Generalate of the Institute in France. There were donations of £300,000 during the year from the CIO to the Generalate (2022: £55,800).

Donations by the trustees to the charity are disclosed in note 9 to these accounts.

There are no other related party transactions requiring disclosure in these accounts (2022: none).

THE SISTERS OF PROVIDENCE OF RUILLE-SUR-LOIR

England & Wales - Charity number 1177083

Accounts

The Sisters of Providence of Ruillé-sur-Loir CIO

Annual Report and Accounts

31 December 2022

Charity Registration Number
1177083

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Reference and administrative information Year to 31 December 2022

Trustees	Sister Ann Heaney Sister Gillian Murphy Sister Eileen Keane
Principal contact	Sister Gillian Murphy
Principal address	65 Nettleham Road Lincoln LN2 1RT
Charity registration number	1177083
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Lloyds Bank plc 202 High Street Lincoln LN5 7AP
Investment managers	Barclays Wealth Management Limited 1 Churchill Place London E14 5HP
Solicitors	Gateley plc Park View House 58 The Ropewalk Nottingham NG1 5DW mfg Solicitors Adam House Birmingham Road Kidderminster DY10 2SH

The trustees present the report and accounts of The Sisters of Providence of Ruillé-sur-Loir 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 24 to 28 of the attached accounts and comply with the charity's constitution, applicable laws and the requirements of Statement of Recommended Practice on 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).

Introduction

The Institute of The Sisters of Providence of Ruillé-sur-Loir (the 'Institute') is an international Congregation of Roman Catholic women founded in the aftermath of the French Revolution in the small village of Ruillé-sur-Loir in the diocese of Le Mans, in France. At the end of that century, because legislation in France was becoming anti-clerical and anti-religious, some of the sisters came to England to carry out their work. The Institute continued to spread to other countries during the following century, first to Belgium and the Netherlands, then to Sri Lanka and Madagascar. These countries now comprise separate Regions of the Institute.

Since its foundation in 1806, the Institute's purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn. During 2015 the Institute fused with a smaller Congregation of Sisters of Providence of Sees. This Congregation of some 40 elderly French sisters at that time has now become part of the Institute. The Institute now numbers about 250 members spread through the above countries. The Institute, with its Generalate in Le Mans, has always been outward looking and each Region shares in the mission undertaken in any part of the world where the sisters are present.

The accounts accompanying this report are the accounts of the charity through which the activities and assets of the Institute in England are administered. The charity is a Charitable Incorporated Organisation (CIO) and is governed by a Constitution dated 9 February 2018 and is registered under the Charities Act 2011 – Charity Registration Number: 1177083.

Mission

The object of The Sisters of Providence of Ruillé-sur-Loir CIO is to advance the religious and other charitable work of the sisters of the Institute.

By caring for individual members of the Institute throughout their lives within the Institute, the charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a variety of religious and other charitable works.

When setting the objectives and planning the work of the charity, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Mission (continued)

The works or ministries of the sisters of the Institute fall into the following main areas:

- ♦ **Worship and prayer**
Members of the Institute are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Institute celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services.
- ♦ **Social and pastoral work**
Since its formation, the Institute's (and hence the sisters') purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn.
- ♦ **Supporting other parts of the Institute**
The charity supports the work of the Institute overseas by the provision of grants and donations for specific projects.

Activities, specific achievements and relevant policies

Activities and specific achievements

As stated above under "Mission", the aims of the charity are to care for individual members of the Institute throughout their lives with the Institute and so enable and support them to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

There are five sisters in England, and one sister who divides her time between England and the rest of the Institute. One sister continues to live in France as part of a new international community in Brittany, in the birth place of our founders and the founder of the American congregation. This community welcomes sisters from all parts of the Institute as well as being at the service of the local area and the tourists and pilgrims who visit.

The sisters in England live in two parts of Lincoln: two in the South of the city in an apartment for people who are retired, and three other sisters live in a house in the North of Lincoln in a house that has been adapted for a sister in a wheelchair. One sister from this community moved into a nursing home in May 2022 when her care needs could no longer be met by the community.

- ♦ **Caring for members of the Institute**
In common with many religious congregations in England, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations declines. The average age of the sisters in England is 80.8 years

The Institute 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 most of their lives to education and the care of other people.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Caring for members of the Institute (continued)

This obligation also means caring for the members of the Institute in the Region, particularly those who are in poor health, enabling them to continue with their individual apostolate for as long as they are willing and able, ensuring that all members receive the level of care they need and deserve, and giving them the quality of life they have a right to expect. Whatever their age or state of health, all sisters are encouraged to share in the mission of the Institute, whether that be by being involved in administration or being part of the welcoming community, interested in the wellbeing of our visitors and friends, and when able, engaging in activities involving members of the public or simply by their prayer.



One Sister has moved into Hartsholme House nursing home as her needs could no longer be met by the community. The transition was smooth and the Sister is benefitting from the appropriate care and the range of stimulating activities offered by the qualified staff. All the sisters in Lincoln are able to go and visit on a regular basis and she has been able to join them for various celebrations. Having spent most of her life in Lincoln the Sister is well known and has lots of other visitors too, including family visiting from France.

♦ Worship and prayer

As well as providing the necessary means for the sisters to fulfil their spiritual obligations and needs, the sisters celebrate and pray with the wider community including people of other faiths and none. They do this through the provision of spiritual guidance or just being available to listen in times of need, and by joining with the public in Liturgical Celebrations in the local Catholic Parish Church or Anglican Churches.

The use of Zoom is a useful means of continuing the mission of prayer and guidance in the local parishes.

Parishioners ring up with prayer requests and the sisters ensure that parishioners know that they are included in the thoughts and prayers of the sisters, thus bringing much consolation to people in need at this time.

More parishioners have started to visit the communities once more after a prolonged absence due to COVID. The sisters hold regular meetings in their communities and invite various people to get together for important liturgical moments.

Where possible the sisters attend services in the three Lincoln parishes. Their presence is valued by the clergy and the parishioners. Although certain sisters have only been in Lincoln a short time, they have many contacts rooted in their extended mission in Lincoln previously.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

- ♦ Worship and prayer (continued)
"We have shared in a regular African Mass celebrated by Father Patrick and have enjoyed socialising afterwards with several different ethnicities."



The Sisters have continued throughout the year meeting with the Friends of Providence regularly in Lincoln and more intermittently in London, sharing the materials produced by the Institute for the 200th Anniversary of Mother Marie Madeleine du Roscoat's death and later in the year reflections on Laudato Si, for the care of our planet.

The sisters particularly value their ecumenical and interfaith relationships and activities.

Throughout the year the sisters have participated in religious events in Home Grange apartments for senior citizens: Christmas carols and November Armistice Memorial Service. They also participate in Christian /Jewish Services organised by the Council of Christians and Jews which are followed by social time. The importance of these gatherings cannot be underestimated in these times where anti-semitism and racial tensions are all too prevalent. The Sisters also regularly pray with a Pentecostal couple who come to the community.

They maintain contacts with other networks, particularly concerned with Religious Life both at diocesan and national level.

The Association of Senior Religious has also been able to take off again. Our three more able members were able to attend the annual national conference in Bournemouth. One of them is on the National Executive Committee which organises the conference.

These conferences and gatherings are a source of strength and mutual support for sisters who are facing the challenges of ageing and diminishment within their congregations. They can share joys and sorrows, and they continue to be a vibrant and active group that brings its many gifts to the Church and society in England.

The sisters have joined the Religious of the Diocese for the annual gathering, for the Requiem Mass, for the celebration of the Hermits' jubilee and have joined in Zoom meetings for prayer and reflection on a regular basis. They value this communication as they are far from other religious. This network provides an opportunity for support and ongoing friendship. The sisters have used this group to be involved in the shaping of the Synod and in sharing their ideas and experiences for the benefit of the Diocese and the Church.

The Sisters are a valued part of the Deanery Conference, which gathers the clergy and religious of the area on a regular basis to look at the life of the Deanery and to help in the organisation of ministry in Lincolnshire as well as giving feedback to the Bishop and his Council on policy and other decisions affecting the life of the Diocese.

"We have endeavoured to take a full part in our Parishes, attending meetings to discuss the Synod and the inevitable reorganisation of the Parishes. We have also shared in the Deanery meetings, which at the moment are also occupied by the problem of Diocesan resources."

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Social and pastoral work

The sisters' vocation calls them to "witness to the love and goodness of the Father." This they do in their various ministries following the example of their Founders and in line with the charism and aims of the Institute. These ministries can be divided into specifically religious works and general pastoral work.

Religious works

Religious works include:

♦ Ministries in local parishes

As far as they are able, Sisters are involved in parish work. For example, they help bereaved, grieving members of the parish to prepare the funeral services for their deceased relatives, whilst accompanying them at these difficult moments. They also care for the elderly members of the parishes through visiting, taking Holy Communion and bringing isolated people together to socialise and enjoy some time together.

The recent arrival of one Sister in a nursing home has provided an opportunity for the sisters to become involved in the home. From time to time the manager asks the sisters to accompany one or other resident or their family. The sisters also interact with the residents and members of staff during their visits to the home.

Other events at which they are always welcomed are the senior lunches at Our Lady of Lincoln Parish, special gatherings for St Patrick, Harvest, and Christmas at St Hugh's as well as coffee mornings after Mass in Saints Peter and Paul parish. Parishioners are always eager to have news of sisters from Sri Lanka who have lived in Lincoln and, this year, have helped financially with certain projects in Sri Lanka and Madagascar.

♦ Retreats, spiritual direction and related activities

Increasingly, because of loneliness and mental health issues related to the isolation of COVID, the Sisters have been more involved in accompaniment of certain individuals over the telephone. Even the carers who look after the Sisters have sought guidance from them.

General pastoral work

This area of work includes:

♦ Solidarity with the poor and the lonely

One of the consequences of the present economic crisis has been the increase in people who find themselves in poverty. The Sisters have been able to help with donations to foodbanks and donations of furniture and other materials to poor families.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Social and pastoral work (continued)

♦ School, hospital and ecumenical chaplaincies

The sisters visit people in hospital and in the residential homes when it is possible. They are also in contact by telephone with former parishioners who have moved away or with parishioners from their previous parishes.

Two sisters have been able to renew their relationship with the local secondary school, welcoming the new headteacher and supporting the lay chaplain, attending school events when they can.

♦ Administrative work for the Institute and Region

The Sisters continue the translation work for the Congregation. Translation of documents from French to English is of the greatest importance especially for the younger Sisters in Sri Lanka who do not have the opportunity to learn French. This year in particular the English General councillor was involved in the formation programme for the young Sisters from Sri Lanka and Madagascar during their visit to Europe.

Also part of the obligation to care for members is the requirement to support the members of the Institute in the other regions when this is needed, particularly in the southern hemisphere.

♦ Supporting other parts of the Institute

During the year we supported Madagascar and Sri Lanka in a variety of ways.

The following is an email received from the Regional Superior from Madagascar when she sent the accounts for the money which was donated.

"Salama tompoko ô.

A big thank you for the 25,000 euros you sent us.

The sisters are very happy with their computers, as well as the printers.

Imagine also the joy of the teachers and students at Ankaditsiary for the 10 computers donated and the microphone for the gathering every Monday. Students in the bush, in a place far away from everything, are able to learn computer science.

For solar panels that turn the water from the borehole, we really hope to be able to reduce the cost of electricity, which will triple in 2023.

The rest of the money is for the land by the sea. Our land already has its deed title number. The topographer told me to come back in 15 days for the appointment at the Domaine. Hopefully, we can start work in 2023. We will start with the enclosure.

Faternally, Sister Sosthine"



Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Supporting other parts of the Institute (continued)



Benefactors and Sisters from the English region continue to make donations to Sri Lanka for various welfare projects, including supporting school students, people who are sick in hospital and women who have been abandoned by their families because they have terminal cancer.

Over the course of 2021 and 2022, the English region helped five sisters in Sri Lanka to complete undergraduate and postgraduate studies. Three sisters are continuing with vocational courses and one candidate is following music lessons.

The following are two accounts from young sisters who have finished their studies recently.

"In the year of 2018 I started my Bachelor of Arts degree in Aquinas College of Higher Studies. As it was a part time degree programme, the lectures were held on Saturdays and Sundays. Christian Culture, Sociology and Mass Communication were the subjects that I did. It was a three year degree program but, because of the pandemic this program was dragged for another few months. The convocation was held in the year of 2022.

From this degree I was able to gain a vast knowledge about many things, such as the society, some theories, social problems that people face and how to help them, media, history of Christianity, the foundation and the basics of the religion of Christianity and many other things." Sister Manodini



Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

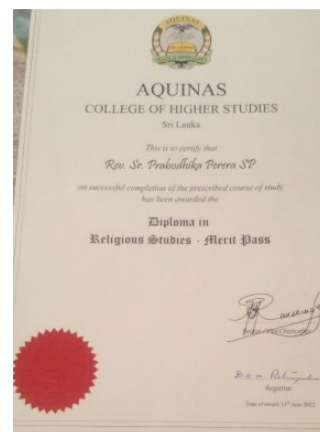
♦ Supporting other parts of the Institute (continued)

"With me there were sixteen sisters from different congregations. Before we started the formation period we followed the three months, intensive Certificate Course in English language Proficiency (September-December in 2020) to improve our English Knowledge. This formation period helped me deepen knowledge and understanding of scripture, Doctrinal and pastoral approaches in ministry, and become a well-integrated religious, who is able to give a prophetic response to the contemporary society. This process included lectures, personal reflections, group



studies, and six weeks of residential program in

which I had more opportunity for experiential learning and communal sharing. I received the necessary guidance to face the challenges faced as a young sister.....I think all these studies and all the experiences which I received last year by following sister formation was very helpful for the mission which God entrusted me this year." Sister Shironi Probodhika



The sisters in England financially supported the stay of 19 young sisters in France during the summer of 2022. It was the first time that such a large group from Madagascar and Sri Lanka had come together. The aim of the meeting was to enable some of the younger sisters to get to know each other and to create links for the future of the Institute. The presence of the younger sisters also had a profound effect on the rest of the European sisters as they saw the future generations of the Institute together.



Activities, specific achievements and relevant policies (continued)

Investment policy

◆ Listed investments

Under the charity's constitution, the trustees may invest in any investments authorised by law. During the year, the charity's investments were managed by Barclays Wealth Management Limited.

The charity's investment policy is to maintain a balanced return from both income and capital with a medium level of risk. The trustees, on the advice of the professional and lay advisers, review the policy annually. The trustees believe that the social and Gospel values of the Catholic Church should be present in the manner in which money is invested and in the way it is used to enhance the development of the charity and the achievement of its objectives. Investments are to be ethically chosen, whilst being mindful of the Charities Act requirement to seek the best possible returns. To achieve this we maintain a diversified investment portfolio.

The performance of the portfolio and the charity's investment strategy have been reviewed by the trustees whose representatives meet with the investment managers every six months.

◆ Investment property

The charity has one property which is now rented out to tenants at a commercial rental and which has now been classified in the accounts as an investment property.

◆ Annuity and pension contracts

As the sisters are members of a religious congregation and have taken a vow of poverty, any rights they might have to assets and income have been given over to the Institute which, therefore, is responsible for their upkeep and well-being.

The charity has been putting aside monies in a "Pension Scheme" (deferred annuity contracts) for each sister over the last twenty or more years. The scheme provider is Phoenix Life (previously Royal Insurance Company Limited).

Under the terms of the contract, on a member of the scheme reaching the age of 65, the charity may receive either an agreed (guaranteed) basic annuity (pension) over the remaining life of the scheme member together with any bonuses attaching thereto, or receive a cash option in exchange for the 'pension'.

Financial review

Results for the year

A summary of the results for the year to 31 December 2022 can be found on page 21 of this report and accounts.

Financial review (continued)

Results for the year (continued)

Total income amounted to £229,986 (2021: £211,825). Total salaries and pensions income included within donations in the period amounted to £65,773 (2021: £88,896). All salaries and pensions are covenanted to the charity. Investment income and interest receivable totalled £162,735 (2021: £111,466) and included rental income of £39,175 (2022: £nil) following the reclassification of 78 Oakfield Road as an investment property (see below).

Expenditure totalled £286,461 (2021: £269,314). Expenditure incurred on maintaining the members of the Institute and supporting them in their pastoral work and ministry amounted to £145,475 (2021: £149,395). Fees paid to the charity's investment managers during the year amounted to £33,241 (2021: £35,432) and expenditure incurred on the investment property amounted to £5,702 (2021: £nil). Charitable grants and donations amounted to £102,043 (2021: £84,487). In 2022 and 2021 these donations were principally in support of the overseas work of the Institute.

Net expenditure for the year before investment losses or gains, therefore, was £56,475 (2021: net expenditure £57,489). Net losses on listed investments of £554,592 (2021: net gains of £480,753) and gains on revaluation of the investment property of £1,698,000 (2021: £nil) (see below) resulted in a net increase in funds for the year of £1,086,933 (2021: net increase in funds of £423,264).

Since November 2021 the freehold property at 78 Oakfield has been let on a commercial basis. The property has been recategorised from a functional fixed asset to a property held for investment. The property is stated at fair value at the balance sheet date (see note 12).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out earlier in this report.

During the period, the charity's investments achieved an income yield of 2.6% (2021: 2.3%) and a capital yield of minus 11.62% (2021: plus 9.9%). Further details of the investment portfolio are included in note 12 to the attached accounts.

The trustees take a long term view and believe their investment policy should continue to be applied.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of the religious members whose average age is increasing and whose needs are changing.

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, investment property, designated for specific purposes, or otherwise committed. In considering the level of reserves, trustees take into account forecasts of future income and expenditure, potential needs and risks, and the need to ensure the continuity of activity.

Financial review (continued)

Reserves policy and financial position (continued)

Reserves policy (continued)

Given the nature of the charity's work and the increasing, often unpredictable, call on its resources to provide continuing essential care to its members, especially those impaired by age and illness, the trustees believe that the level of free reserves may be up to thirty six months' worth of expenditure without giving rise to concern.

Financial position

At 31 December 2022, the charity had net assets totalling £7,407,014 (2021: £6,320,081). Of this, £713,799 (2021: £811,795) was represented by properties and other tangible fixed assets essential for the support and work of the sisters, £5,125,000 (2021: £3,350,000) represented a retirement reserve designated to provide an income to maintain the sisters as they grow older.

Community funds, being the cash and bank balances held by communities and designated or set aside to meet their day-to-day costs, amounted to £40,739 (2021: £93,727).

The trustees have also set aside £1,117,341 (2021: £850,000) in a Financing and Congregational fund with the broad intention to use the fund for making donations including contributions to the Congregation's work overseas. It is expected that the money will continue to be invested and income from this fund will be used to fund future donations.

Therefore, at 31 December 2022, funds which are available to support the work of the sisters in the future are those shown on the balance sheet as general funds and total £356,135 (2021: £1,043,218). The trustees are of the opinion that this level of free reserves was adequate but not excessive. The figure has been affected by the volatility in investment markets during the year. However, the trustees believe the charity to be a long term investor and are confident that the unrealised losses incurred will be recovered as the markets stabilise.

Future plans

Major renovation works are due to take place at the Congregation's Mother House in France beginning in September 2023. It is anticipated that the charity will contribute to the financial cost of such work.

The sisters will also be looking seriously at the future of the community in Netteham Road, Lincoln.

Governance, structure and management

In terms of Canon Law, the Institute is governed by a Superior General and General Council elected at a six-yearly General Chapter made up of representatives elected by all the professed members of the Institute. Being too small to be divided into Provinces, the Institute was divided into three geographical Regions: Sri Lanka and Madagascar each with a Regional Superior and her three councillors and the European Region (comprising England, Belgium, France and the Netherlands) with a Delegate appointed from each of these countries. England, now part of the Region of Europe, is financially autonomous.

In terms of civil law, the charity is governed by three trustees appointed having regard to their years of experience. Those now holding office have all been involved in teaching and the administration of educational establishments, subsequently widening their experience in other pastoral activities. Trustees are appointed for three yearly terms to ensure renewal and balance of competence. They attend conferences on charity law and other topics relevant to the charity's activities.

The names of the trustees who served during 2022 are set out on page 1 of this annual report and accounts.

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

Statement of trustees' responsibilities

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

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

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

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

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

Key management

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.

All trustees are members of the Institute and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or work as key management.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that systems are in place to mitigate exposure to these risks.

The trustees recognise their responsibility for the management of risks faced by the charity, the Institute in England and its individual members.

The trustees continue to review and update the charity's risks.

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

- ◆ An analysis of the age profile of the members of the Institute shows that the average age in England at 31 December 2022 was 80.8 years. The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters.

Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.

Governance, structure and management (continued)

Risk management (continued)

- ◆ The charity donates monies in support of the wider Institute and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Institute. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ Operationally the charity works with children and vulnerable adults including older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers.

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.

Fundraising policy

The charity aims to achieve best practice in the way in which they communicate with donors and other supporters. Care is taken with both the tone of communications and the accuracy of data to minimise the pressures on supporters. Best practice is applied to protect supporters' data and data is never sold, swapped and communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding fundraising activities and to learn from them. During 2022, the charity received no complaints about its fundraising activities.

Members of the Institute

The trustees wish to record their recognition of the professionalism and commitment of individual members of the Institute. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

G.M.Murphy

Trustee

Approved by the trustees on: 5th September 2023

Independent auditor's report to the trustees of The Sisters of Providence of Ruillé-sur-Loir CIO

Opinion

We have audited the accounts of The Sisters of Providence of Ruillé-sur-Loir CIO 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.

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 to 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 management and 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; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

- ◆ Making enquiries of management and 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 financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of 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.

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements 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 this report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

12 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 Total funds £	2021 Total funds £
Income from:			
Donations and legacies	1	67,251	89,461
Investments and interest receivable	2	162,735	111,466
Other sources			
. Rental income		—	6,500
. Surplus on disposal of tangible fixed assets	3	—	4,118
. Miscellaneous		—	280
Total income		229,986	211,825
Expenditure on:			
Raising funds			
. Investment management fees		33,241	35,432
. Investment property costs		5,702	—
Charitable activities			
. Support of members of the Institute and their ministry	4	145,475	149,395
. Charitable grants and donations	5	102,043	84,487
Total expenditure		286,461	269,314
Net expenditure before investment (losses) gains		(56,475)	(57,489)
Net (losses) gains on listed investments	12	(554,592)	480,753
Gain on revaluation of investment property	12	1,698,000	—
Net movement in funds	7	1,086,933	423,264
Reconciliation of funds:			
Funds balances at 1 January 2022		6,320,081	5,896,817
Funds balances at 31 December 2022		7,407,014	6,320,081

All income and expenditure related to unrestricted funds in both of the above accounting periods.

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

Balance sheet 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		713,799		811,795
Investments	12		6,290,818		5,104,642
			7,004,617		5,916,437
Current assets					
Debtors	14	1,119		1,889	
Short term deposits		169,230		169,143	
Cash at bank and in hand		284,694		299,079	
		455,043		470,111	
Current liabilities					
Creditors: amounts falling due within one year	15	(52,646)		(66,467)	
Net current assets			402,397		403,644
Total net assets			7,407,014		6,320,081
The funds of the charity					
Unrestricted income funds					
. Tangible fixed assets fund	16		713,799		811,795
. Designated funds	17		6,337,080		4,465,068
. General funds			356,135		1,043,218
			7,407,014		6,320,081

Approved by the trustees and signed on their behalf by:

G.M.Murphy

Trustee

Approved on: 5th September 2023

Statement of cash flows Year to 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(211,611)	(124,892)
Cash flows from investing activities:			
Investment income and interest received		163,081	111,221
Proceeds from the disposal of tangible fixed assets		—	9,492
Proceeds from the disposal of investments		767,252	2,287,805
Purchase of investments		(695,876)	(2,315,000)
Net cash provided by investing activities		235,457	93,518
Change in cash and cash equivalents in the period		22,846	(31,374)
Cash and cash equivalents at 1 January 2022		486,937	518,311
Cash and cash equivalents at 31 December 2022	B	509,783	486,937

Notes to the statement of cash flows for the period to 31 December 2022

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

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	1,086,933	423,264
Adjustments for:		
Depreciation charge	20,996	20,996
Losses (gains) on listed investments	554,592	(480,753)
Unrealised gain on revaluation of investment property	(1,698,000)	—
Investment income and interest receivable	(162,735)	(111,466)
Surplus on disposal of tangible fixed assets	—	(4,118)
Decrease in debtors	424	1,407
(Decrease) increase in creditors	(13,821)	25,778
Net cash used in operating activities	(211,611)	(124,892)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Short term deposits	169,230	169,143
Cash at bank and in hand	284,694	299,079
Cash held by investment managers	55,859	18,715
Total cash and cash equivalents	509,783	486,937

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies 31 December 2022

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

Basis of preparation

These accounts have been prepared for the period to 31 December 2022 with comparatives given for 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 only areas in the accounts where such judgements and estimates have been made are in respect to:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ Estimating the fair value of investment properties;
- ◆ Determining the amounts to be set aside as designated funds; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

The trustees 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.

Assessment of going concern (continued)

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

Income 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, investment income, interest receivable, rental 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.

Income from listed Investments is recognised once the dividend or relevant income has been declared and notification has been received of the amount due. Rental income from investment property is recognised at the date at which the charity is entitled to such income under the relevant tenancy agreement.

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

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

All other income, including rental 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 recognition (continued)

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees and costs incurred in connection with the charity's investment property.
- ◆ 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 charitable grants and donations, costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

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 activity of supporting members of the Institute and enabling their ministry as any support and/or governance costs in relation to the provision of donations and grants is considered to be negligible.

Pension costs

The charity contributes to two pension arrangements for its members. A deferred annuity contract and a stakeholder contract, both of which are defined contribution pension schemes. Contributions in respect to both defined contribution schemes are charged to the statement of financial activities as they fall due.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Land and buildings

Land and buildings comprise freehold and long leasehold buildings. Depreciation is provided on both freehold and long leasehold properties at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the charity.

Freehold land and buildings owned by the charity since 1 January 1996 are included on the balance sheet at their estimated valuation as at that date net of accumulated depreciation. The valuations were determined by the trustees with professional assistance on the basis of replacement cost for existing use. Under the transitional provisions of FRS 102, these valuations are now regarded as deemed cost. Additions to freehold land and buildings since that date are included at cost.

◆ Fixtures and fittings

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ 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.

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.

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally 31 December 2022 on an open market basis by ehB Reeves, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuation Standards (the ‘Red Book’).

Investments (continued)

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 accounting

The charity's funds comprise a number of unrestricted income funds which are available for application towards the charity's objectives. Within unrestricted funds the trustees have identified those non-liquid funds represented by tangible fixed assets and have designated certain amounts for specific purposes. Details of these funds are given in notes 16 and 17 to the accounts.

Services provided by members of the Institute

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

1 Income from: Donations and legacies

	2022 £	2021 £
Pensions and salaries of individual religious received under Gift Aid or Deed of Covenant	65,773	88,896
Donations	1,478	565
	67,251	89,461

2 Income from: Investments and interest receivable

	2022 £	2021 £
Income from listed investments	123,442	111,449
Interest receivable		
. Bank interest	118	17
Income from investment property		
. Rental income	39,175	—
	162,735	111,466

3 Income from: Surplus on disposal of tangible fixed assets

	2022 £	2021 £
Disposal of motor vehicles	—	4,118

4 Expenditure on: Support of members of the Institute and their ministry

	2022 £	2021 £
Premises	43,891	51,590
Sisters' living and ministry expenses	84,794	77,449
Education, training and spiritual renewal	2,296	2,253
Governance costs (note 6)	14,494	18,103
	145,475	149,395

5 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the overseas work of the Institute.

The grants and donations payable during the year were as follows:

	2022 £	2021 £
Contribution to the Generalate of The Sisters of Providence of Ruillé-sur-Loir	55,800	50,000
Donation to the missions of The Sisters of Providence of Ruillé-sur-Loir		
. Madagascar	21,500	—
. Sri Lanka	22,700	25,000
Donation to St Peter-in-Chains Church, Stroud Green, London	—	3,250
Donation to St Hugh's Church, Lincoln	—	5,000
Donations of less than £1,000 each	2,043	1,237
	102,043	84,487

6 Governance costs

	2022 £	2021 £
Legal and professional fees	2,650	5,531
Auditor's remuneration	11,844	12,572
	14,494	18,103

7 Net movement in funds

This is stated after charging:

	2022 £	2021 £
Auditor's remuneration (including VAT)		
. Statutory audit services	11,844	11,780
. Other advisory services	—	792
Depreciation	20,996	20,966

8 Staff costs

The charity had no employees during the year (2021: none).

9 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Institute and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Institute, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2021: none).

As members of the Institute, none of the trustees 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 £21,316 (2021: £20,492).

10 Taxation

The Sisters of Providence of Ruillé-sur-Loir CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings £	Long leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2022	844,627	178,659	18,912	20,748	1,062,946
Reclassification as an investment property (note 12)	(175,000)	—	—	—	(175,000)
	—	—	—	—	—
At 31 December 2022	<u>669,627</u>	<u>178,659</u>	<u>18,912</u>	<u>20,748</u>	<u>887,946</u>
Depreciation					
At 1 January 2022	205,939	7,146	17,319	20,747	251,151
Charge for the year	16,893	3,573	530	—	20,996
Reclassification as an investment property (note 12)	(98,000)	—	—	—	(98,000)
At 31 December 2022	<u>124,832</u>	<u>10,719</u>	<u>17,849</u>	<u>20,747</u>	<u>174,147</u>
Net book values					
At 31 December 2022	<u>544,795</u>	<u>167,940</u>	<u>1,063</u>	<u>1</u>	<u>713,799</u>
At 31 December 2021	<u>638,688</u>	<u>171,513</u>	<u>1,593</u>	<u>1</u>	<u>811,795</u>

As permitted under Financial Reporting Standard 102 the charity has adopted a policy of not revaluing its tangible fixed assets. All tangible fixed assets are stated at cost.

It is likely that there are differences between the open market value of the freehold land and buildings and their book values. These arise because of the specialised nature of the properties. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

The original cost of the freehold land and buildings cannot be ascertained with accuracy without incurring significant research time and costs which in the opinion of the trustees are not justified.

12 Fixed asset investments

At 31 December 2022 fixed asset investments comprised:

	2022 £	2021 £
Freehold investment property	1,775,000	—
Listed investments and cash held for re-investment	4,515,818	5,104,642
	<u>6,290,818</u>	<u>5,104,642</u>

Freehold investment property

	2022 £	2021 £
Reclassification from tangible fixed assets (note 11)	77,000	—
Revaluation gain in the year	1,698,000	—
Fair (market) value at 31 December 2022	<u>1,775,000</u>	<u>—</u>

12 Fixed asset investments (continued)***Freehold investment property (continued)***

The charity's freehold investment property is included at fair value based on open market value. It was re-valued formally on 31 December 2022. The valuation was determined on an open market basis by ehB Reeves, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuations Standards (the "Red Book").

Listed investments

	2022 £	2021 £
Market value at 1 January 2022	5,085,927	4,577,979
Additions at cost	695,876	2,315,000
Disposals at opening book value (proceeds:£767,252, losses:£64,611)	(831,863)	(2,235,408)
Net unrealised investment (losses)/gains	(489,981)	428,356
Market value at 31 December 2022	4,459,959	5,085,927
Cash held by investment manager	55,859	18,715
	4,515,818	5,104,642
Cost of listed investments as at 31 December 2022	4,168,253	4,211,540

Listed investments held at 31 December 2022 comprised the following:

	2022 £	2021 £
Government stocks	—	66,417
UK fixed interest and corporate bonds	815,481	674,621
UK equities	983,044	1,147,214
Overseas equities	1,816,308	2,340,540
UK unit trusts	364,855	368,821
Overseas unit trusts	480,271	488,314
	4,459,959	5,085,927

At 31 December 2022 and 31 December 2021, no individual holdings were deemed material in the context of the entire portfolio.

13 Pension contracts

The charity contributed to both a deferred annuity contract and a stakeholder pension scheme administered to provide benefits in respect to individual members of the Institute. Under the terms of the deferred annuity contract, the assets are invested in a With Profits Deferred Policy on the lives of certain scheme members to provide a pension of £8,270 per annum on the member reaching the normal vesting date, which is the age of 65. The policy also includes a guaranteed cash option at normal vesting date under which the charity may exchange pension for a cash sum to be used in such manner as the trustees decide. The deferred annuity contract is with Phoenix Life.

13 Pension contracts (continued)

The stakeholder pension contract is a money purchase contract, under which the premiums paid are invested in the unitised Stakeholder With Profits Fund and the Stakeholder Managed Fund administered by Standard Life. Under the terms of the contract the charity contributes a sum of money on an annual basis which is invested equally in the two funds. The value of the benefit will depend on the amounts invested and performance of the assets underlying the funds.

14 Debtors

	2022 £	2021 £
Prepayments and accrued income	1,119	1,889

15 Creditors

	2022 £	2021 £
Accruals	39,295	53,467
Deferred income	13,351	13,000
	52,646	66,467

Deferred income is in respect to rental income in respect to the charity's investment property received but not due until 2023.

16 Tangible fixed assets fund

	£
At 1 January 2022	811,795
Transfer of freehold property to investment properties (note 11)	(77,000)
Net movements in year	(20,996)
At 31 December 2022	713,799

The tangible fixed assets fund represents the net book value of the charity's freehold properties and other tangible fixed assets. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets were essential to the day-to-day work of the charity and as such their value did not represent reserves available to finance operations.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2022 £	New designations £	Utilised or realised £	At 31 December 2022 £
Communities fund	93,727	40,609	(93,597)	40,739
Property repair and replacement fund	171,341	—	(171,341)	—
Retirement fund	3,350,000	1,775,000	—	5,125,000
Financing and Congregational fund	850,000	321,341	—	1,171,341
	4,465,068	2,136,950	(264,938)	6,337,080

	At 1 January 2021 £	New designations £	Utilised or realised £	At 31 December 2021 £
<i>Communities fund</i>	91,846	102,163	(100,282)	93,727
<i>Property repair and replacement fund</i>	171,341	—	—	171,341
<i>Retirement fund</i>	3,350,000	—	—	3,350,000
<i>Financing and Congregational fund</i>	850,000	—	—	850,000
	4,463,187	102,163	(100,282)	4,465,068

◆ **Communities fund**

This fund relates to cash and bank balances held by the communities to meet their day-to-day costs. As these amounts have been assigned to the communities, the trustees believe that a separate fund should be designated for this purpose. The transactions on the funds, including designations released (and new designations) being transfers to (and from) the charity's central bank accounts, represent the net movement in the communities' cash and bank balances during the year.

◆ **Property repair and replacement fund**

The property repair and replacement fund represents an amount designated by the trustees to finance potential future expenditure on purchasing and modifying properties to accommodate older and frail sisters.

◆ **Retirement fund**

A fund had been designated in respect to the charity's commitment to provide for the care of the members of the Institute in old age and sickness. The trustees have set aside assets equal to £3,350,000 for this purpose. This figure is re-assessed at the end of each year and adjusted if necessary.

◆ **Financing and Congregational fund**

This fund has been established to finance grants and donations including contributions to the Congregation's work overseas.

17 Designated funds (continued)

The investment property fund comprises the freehold building which has been recategorised from fixed assets to investment property. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the value does not represent reserves available to finance operations.

18 Analysis of net assets between funds

The fund balances at 31 December were represented by the following assets and liabilities:

	Designated funds £	Tangible fixed assets fund £	General funds £	2022 Total £
Balances at 31 December 2022 are represented by:				
Tangible fixed assets	—	713,799	—	713,799
Investments	6,290,818	—	—	6,290,818
Net current assets	47,062	—	356,135	403,197
	6,337,080	713,799	356,135	7,407,014

	Designated funds £	Tangible fixed assets fund £	General funds £	2021 Total £
Balances at 31 December 2021 are represented by:				
Tangible fixed assets	—	811,795	—	811,795
Investments	4,371,341	—	733,301	5,104,642
Net current assets	93,727	—	309,917	403,644
	4,465,068	811,795	1,043,218	6,320,081

The total unrealised gains as at 31 December 2022 constitute movements on revaluations of investments and are as follows:

	2022 £	2021 £
Total unrealised gains at 31 December 2022	1,989,707	874,387
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2022	874,387	805,585
In respect to disposals in year	(92,699)	(359,554)
Net (losses) gains arising on revaluation of listed investments in the year	(489,981)	428,356
Net gains arising on revaluation of freehold investment property in the year	1,698,000	—
Unrealised gains at 31 December 2022	1,989,707	874,387

19 Ultimate control and liability of members

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

20 Related party transactions

Sister Gillian Murphy, a trustee of the Charitable Incorporated Organisation, serves as the Assistant General to the Generalate of the Institute in France. There were donations of £55,800 during the year from the charity to the Generalate (2021: £50,000).

Donations by the trustees to the charity are disclosed in note 9 to these accounts.

There are no other related party transactions requiring disclosure in these accounts (2021: none).

21 Post balance sheet events

In June 2023 the charity purchased a leasehold property in Lincoln at a cost of £160,000.

THE SISTERS OF PROVIDENCE OF RUILLE-SUR-LOIR

England & Wales - Charity number 1177083

Accounts

**The Sisters of Providence of
Ruillé-sur-Loir CIO**

Annual Report and Accounts

31 December 2021

Charity Registration Number
1177083

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Trustees	Sister Ann Heaney Sister Gillian Murphy Sister Eileen Keane
Principal contact	Sister Gillian Murphy
Principal address	65 Nettleham Road Lincoln LN2 1RT
Charity registration number	1177083
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Lloyds Bank plc 202 High Street Lincoln LN5 7AP
Investment managers	Barclays Wealth Management Limited 1 Churchill Place London E14 5HP
Solicitors	Gateley plc One Eleven Edmund Street Birmingham B3 2HJ mfg Solicitors Adam House Birmingham Road Kidderminster DY10 2SH

The trustees present the report and accounts of The Sisters of Providence of Ruillé-sur-Loir 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 24 to 28 of the attached accounts and comply with the charity's constitution, applicable laws and the requirements of Statement of Recommended Practice on 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).

Introduction

The Institute of The Sisters of Providence of Ruillé-sur-Loir (the 'Institute') is an international Congregation of Roman Catholic women founded in the aftermath of the French Revolution in the small village of Ruillé-sur-Loir in the diocese of Le Mans, in France. At the end of that century, because legislation in France was becoming anti-clerical and anti-religious, some of the sisters came to England to carry out their work. The Institute continued to spread to other countries during the following century, first to Belgium and the Netherlands, then to Sri Lanka and Madagascar. These countries now comprise separate Regions of the Institute.

Since its foundation in 1806, the Institute's purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn. During 2015 the Institute fused with a smaller Congregation of Sisters of Providence of Sees. This Congregation of some 40 elderly French sisters has now become part of the Institute. The Institute now numbers about 260 members spread through the above countries. The Institute, with its Generalate in Le Mans, has always been outward looking and each Region shares in the mission undertaken in any part of the world where the sisters are present.

The accounts accompanying this report are the accounts of the charity through which the activities and assets of the Institute in England are administered. The charity is a Charitable Incorporated Organisation (CIO) and is governed by a constitution dated 9 February 2018 and is registered under the Charities Act 2011 – Charity Registration Number: 1177083.

Mission

The object of The Sisters of Providence of Ruillé-sur-Loir CIO is to advance the religious and other charitable work of the sisters of the Institute.

By caring for individual members of the Institute throughout their lives within the Institute, the charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a variety of religious and other charitable works.

When setting the objectives and planning the work of the charity, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Mission (continued)

The works or ministries of the sisters of the Institute fall into the following main areas:

- ◆ **Worship and prayer**
Members of the Institute are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Institute celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services.
- ◆ **Social and pastoral work**
Since its formation, the Institute's (and hence the sisters') purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn.
- ◆ **Supporting other parts of the Institute**
The charity supports the work of the Institute overseas by the provision of grants and donations for specific projects.

Activities, specific achievements and relevant policies

Activities and specific achievements

As stated above under "Mission", the aims of the charity are to care for individual members of the Institute throughout their lives with the Institute and so enable and support them to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

There are five sisters in England, and one sister who divides her time between England and the rest of the Institute. One sister who had worked with the travelling community since her retirement died this year after a short illness. One sister moved to France to become part of a new international community in Brittany, in the birth place of our founders and the founder of the American congregation. This community will welcome sisters from all parts of the Institute as well as being at the service of the local area and the tourists and pilgrims who visit.

The sisters in England live in two parts of Lincoln: two in the South of the city in an apartment for people who are retired, and the four other sisters live in a house in the North of Lincoln in a house that has been adapted for a sister in a wheelchair.

- ◆ **Caring for members of the Institute**
In common with many religious congregations in England, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations declines.

The Institute 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 most of their lives to education and the care of other people.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Caring for members of the Institute (continued)

This obligation also means caring for the members of the Institute in the Region, particularly those who are in poor health, enabling them to continue with their individual apostolate for as long as they are willing and able, ensuring that all members receive the level of care they need and deserve, and giving them the quality of life they have a right to expect. Whatever their age or state of health, all sisters are encouraged to share in the mission of the Institute, whether that be by being involved in administration or being part of the welcoming community, interested in the wellbeing of our visitors and friends, and when able, engaging in activities involving members of the public or simply by their prayer.

The health of one Sister continues to diminish rapidly, partly due to the restrictions imposed by the COVID pandemic but also because of advancing dementia. COVID restrictions have meant that she has been unable to access day care or outside help and activities, meaning that the full time care has had to be shared by community members who are increasingly elderly and frail. The Sisters in Lincoln continue to work together in order to provide support and care for each other and respite when needed. The services of the housekeeper have continued to be important during the last year, not only in looking after the physical needs of the sisters but also in providing emotional and psychological support to them. As a trained nurse, she can advise on appropriate care and helps with doctors' and social service consultations. We are enormously grateful to the volunteers who help with certain tasks and visits to alleviate the pressure.

♦ Worship and prayer

As well as providing the necessary means for the sisters to fulfil their spiritual obligations and needs, the sisters celebrate and pray with the wider community including people of other faiths and none. They do this through the provision of spiritual guidance or just being available to listen in times of need, and by joining with the public in Liturgical Celebrations in the local Catholic Parish Church or Anglican Churches.

The use of Zoom is a useful means of continuing the mission of prayer and guidance in the local parishes. A Sister in Lincoln helped to organise a series of talks and discussion for Lent with participants from the parish joining via Zoom.

Parishioners ring up with prayer requests and the sisters ensure that parishioners know that they are included in the thoughts and prayers of the sisters, thus bringing much consolation to people in need at this time.

One such example this year has been the following from the community in the North of Lincoln.

"In Lincoln, a Pentecostal couple wrote to us asking if we would care to pray with them. We met with them and decided that we would pray the Vespers of the day with them and follow this with a time of sharing and reflection. They come to our house once a month, they live a few doors away from us, they are missionaries and have visited Africa several times."

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Worship and prayer (continued)

As the couple come to the community it means that the Sister who uses a wheelchair can also fulfil her ministry.

The Sisters meet with the "Friends of the Sisters of Providence" who share our charism and spirituality. They have been able to meet again face to face for faith sharing and prayer in both London and Lincoln, thus maintaining a link with the Congregation and its works.

The sisters particularly value their ecumenical and interfaith relationships and activities.

"One interfaith event in which we participated was organised by the Christian /Jewish Association to commemorate the Holocaust and the subsequent genocides, which followed in Cambodia, Rwanda, Bosnia and Darfur, in the hope that there may be one day in the future without any genocide. This service took place in St. Hugh's RC Church and was attended by the Civic Party and representatives of Hinduism, Islam, and Sikhism. Patrick, Bishop of Nottingham, and the Lincoln Leader of the Jewish Faith, respectively, gave the final blessing."

They maintain contacts with other networks, particularly concerned with Religious Life both at diocesan and national level.

The Association of Senior Religious has also been able to take off again. Our three more able members were able to attend the annual national conference in Bournemouth. One of them is on the National Executive Committee which organises the conference.

These conferences and gatherings are a source of strength and mutual support for sisters who are facing the challenges of ageing and diminishment within their congregations. They can share joys and sorrows, and they continue to be a vibrant and active group that brings its many gifts to the Church and society in England.

"We have also met on a diocesan level in Nottingham for the annual requiem Mass for the deceased members of the clergy and religious and at Mount Saint Bernard's Monastery for a meeting of the Religious of the Diocese. We also maintain contacts via zoom with other religious in the Diocese. This is a means of getting news, participating in causes and being less isolated."



The Sisters are a valued part of the Deanery Conference, which gathers the clergy and religious of the area on a regular basis to look at the life of the Deanery and to help in the organisation of ministry in Lincolnshire as well as giving feedback to the Bishop and his Council on policy and other decisions affecting the life of the Diocese.

"Sister Eileen was already a member of the Lincolnshire Deanery team and the other two sisters who have moved up from London have been invited to join. We shared at first through Zoom, but in the last few months we have been able to meet in person."

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Social and pastoral work

The sisters' vocation calls them to "witness to the love and goodness of the Father." This they do in their various ministries following the example of their Founders and in line with the charism and aims of the Institute. These ministries can be divided into specifically religious works and general pastoral work.

Religious works

Religious works include:

♦ Ministries in local parishes

As far as they are able, Sisters are involved in parish work. For example, they help bereaved, grieving members of the parish to prepare the funeral services for their deceased relatives, whilst accompanying them at these difficult moments. They also care for the elderly members of the parishes through visiting, taking Holy Communion and bringing isolated people together to socialise and enjoy some time together.

Despite the pandemic, the Sisters have been able to maintain this pastoral care through the use of the telephone and social media. Sisters have also been present, where possible, at the funerals of parishioners and at the request of bereaved families, due to the limit on numbers being able to attend.

"There have been many deaths, some of young people and old pupils, who have died very suddenly and even one who was murdered. Several very old friends of the sisters have also died. We were able to attend the funerals and be alongside the parents and families, who were very grateful that we were around to support them."

"We have also contributed at Parish level by joining in the Liturgies and the gatherings that have been organised to respond to the Pope's invitation to share our ideas on the present reality of the Church and its future development and also the spiritual and social activities of the Parish."



♦ Retreats, spiritual direction and related activities

Increasingly, because of loneliness and mental health issues related to the isolation of COVID, the Sisters have been more involved in accompaniment of certain individuals over the telephone. Even the carers who look after the Sisters have sought guidance from them.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Social and pastoral work (continued)

General pastoral work

This area of work includes:

♦ Solidarity with the poor and the lonely

One of the consequences of the pandemic has been the increase in people who find themselves in poverty. The Sisters have been able to help with donations to foodbanks and donations of furniture and other materials to poor families as a consequence of closing the house and the apartment in London.

"We are living in a Senior Apartment building and find that within this setting there are great opportunities for outreach and support for many residents. We try to be involved in activities organised in house: Macmillan coffee mornings; Christmas Carols and Readings; Birthday celebrations etc. This helps to alleviate the loneliness of the residents in times when the pandemic has affected many outside relationships. The residents seem very happy to have us in the community and often ask us to pray with them or to spend time providing a listening ear and affirmation."

♦ School, hospital and ecumenical chaplaincies

Due to their age and health, most of the Sisters have had to shield again this the year, meaning that they have not been physically present in the chaplaincies. The work of the chaplaincies has been hindered by the fact that people were not allowed into the hospitals and the schools have, for the most part, been closed. However, the Sisters have kept in regular touch with families of people who would have needed hospital chaplaincy and support.

♦ Administrative work for the Institute and Region

Despite the pandemic, the Sisters have been able to continue the translation work for the Institute. Translation of documents from French to English is of the greatest importance especially for the younger Sisters in Sri Lanka who do not have the opportunity to learn French.

Also part of obligation to care for members is the requirement to support the members of the Institute in the other regions when this is needed, particularly in the southern hemisphere.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

◆ Supporting other parts of the Institute

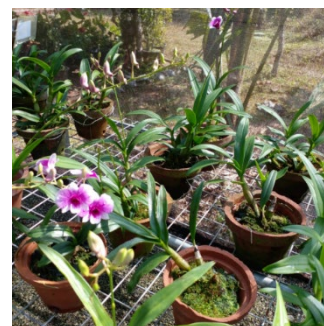
Here is the report from the Sister who is responsible for the sponsorship of poorer students in Sri Lanka.



“As we help poorer students to continue their education, Providence Welfare Services gives scholarships to eligible children in the areas where the Sisters are in community. Donations from the English part of the Congregation and benefactors help to finance this project. Education is free for Sri Lankans but they must provide all books, uniform and other materials. This can be extremely difficult for the poorer families and can create a barrier for learning for these pupils.”

◆ Orchid Project at Irabadagama

The Sisters of Providence in England supported a new project in Sri Lanka. It involves the cultivation and selling of Orchids to enable women to have some income. This takes place in the grounds of the community of Irabadagama. In 2019 the Sisters and the women researched the possibility of growing and selling orchids. Plans were put on hold in 2020 because of COVID. However, in 2021 the project was launched with a grant from the Sisters in England.



Here are extracts from the report:



“On 20th of May 2021 we started to build the net house and it was completed in few days. The cost was Rs.226,450.00. (£905) Now, the place is prepared to start the flower plantation. Although it was hard to get the healthy plants amidst this pandemic situation, the provider of the Orchids plants was able to bring 500 Orchid plants to Irabadagama on 6th June. We received thirteen varieties of Orchid plants and its cost was Rs.62,500.00. (£250) We could buy the new pots and these new plants were planted by using potting medium, which was made with the pieces of coconut husks, coir and charcoal. We used recommended manure and chemicals under the guidance of the Instructor.”

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

◆ Orchid Project at Irabadagama (continued)

The ladies responsible for the Orchid project will sell their flowers and plants and buy more equipment and plants during the coming year. They hope to be self sufficient by the end of 2022.

During the year we paid for two Sri Lankan sisters to follow a spirituality course through Zoom. We also continued to support the Conselling Centre that the Sri Lankan sisters built with help from England.

Investment policy

◆ Listed investments

Under the charity's constitution, the trustees may invest in any investments authorised by law. During the year, the charity's investments were managed by Barclays Wealth Management Limited.

The charity's investment policy is to maintain a balanced return from both income and capital with a medium level of risk. The trustees, on the advice of the professional and lay advisers, review the policy annually. The trustees believe that the social and Gospel values of the Catholic Church should be present in the manner in which money is invested and in the way it is used to enhance the development of the charity and the achievement of its objectives. Investments are to be ethically chosen, whilst being mindful of the Charities Act requirement to seek the best possible returns. To achieve this we maintain a diversified investment portfolio.

The performance of the portfolio and the charity's investment strategy have been reviewed by the trustees whose representatives meet with the investment managers every six months.

◆ Annuity and pension contracts

As the sisters are members of a religious congregation and have taken a vow of poverty, any rights they might have to assets and income have been given over to the Institute which, therefore, is responsible for their upkeep and well-being.

The charity has been putting aside monies in a "Pension Scheme" (deferred annuity contracts) for each sister over the last twenty or more years. The scheme provider is Phoenix Life (previously Royal Insurance Company Limited).

Under the terms of the contract, on a member of the scheme reaching the age of 65, the charity may receive either an agreed (guaranteed) basic annuity (pension) over the remaining life of the scheme member together with any bonuses attaching thereto, or receive a cash option in exchange for the 'pension'.

Financial review

Results for the year

A summary of the results for the year to 31 December 2021 can be found on page 21 of this report and accounts.

Total income amounted to £211,825 (2020: £214,355). Total salaries and pensions income included within donations in the period amounted to £88,896 (2020: £117,944). All salaries and pensions are covenanted to the charity. Investment income and interest receivable totalled £111,466 (2020: £95,861).

Expenditure totalled £269,314 (2020: £177,514). Expenditure incurred on maintaining the members of the Institute and supporting them in their pastoral work and ministry amounted to £149,395 (2020: £137,145). Fees paid to the charity's investment managers during the year amounted to £35,432 (2020: £31,020). Charitable grants and donations amounted to £84,487 (2020: £9,349). In 2021 these donations were principally in support of the overseas work of the Institute.

Net expenditure for the year before investment gains, therefore, was £57,489 (2020: net income £36,841). Net investment gains of £480,753 (2020: £119,705) resulted in a net increase in funds for the year of £423,264 (2020: £156,546).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out earlier in this report.

During the period, the charity's investments achieved an income yield of 2.3% (2020: 2.1%) and a capital yield of 9.9% (2020: 2%). Further details of the investment portfolio are included in note 12 to the attached accounts.

The trustees take a long term view and believe their investment policy should continue to be applied.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of the religious members whose average age is increasing and whose needs are changing.

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes, or otherwise committed. In considering the level of reserves, trustees take into account forecasts of future income and expenditure, potential needs and risks, and the need to ensure the continuity of activity.

Financial review (continued)

Reserves policy and financial position (continued)

Reserves policy (continued)

Given the nature of the charity's work and the increasing, often unpredictable, call on its resources to provide continuing essential care to its members, especially those impaired by age and illness, the trustees believe that the level of free reserves may be up to thirty six months' worth of expenditure without giving rise to concern.

Financial position

At 31 December 2021, the charity had net assets totalling £6,320,081 (2020: £5,896,817). Of this, £811,795 (2020: £838,165) was represented by properties and other tangible fixed assets essential for the support and work of the sisters, £3,350,000 (2020: £3,350,000) represented a retirement reserve designated to provide an income to maintain the sisters as they grow older and £171,341 (2020: £171,341) had been set aside as a property repair and replacement fund to be used to purchase and modify properties to accommodate older and frail sisters.

Community funds, being the cash and bank balances held by communities and designated or set aside to meet their day-to-day costs, amounted to £93,727 (2020: £91,846).

The trustees have also set aside £850,000 (2020: £850,000) in a Financing and Congregational fund with the broad intention to use the fund for making donations including contributions to the Congregation's work overseas. It is expected that the money will continue to be invested and income from this fund will be used to fund future donations.

Therefore, at 31 December 2021, funds which are available to support the work of the sisters in the future are those shown on the balance sheet as general funds and total £1,043,218 (2020: £595,465). The trustees are of the opinion that this level of free reserves was adequate but not excessive.

Future plans

The trustees plan to continue to care for the sisters as long as possible and enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible in the way of evangelising; and to monitoring the needs of the sisters as they grow older and to ensuring the provision of care to elderly members.

Paying due heed to the impact of the Covid-19 pandemic and its consequences, both socially and economically, we will continue to work towards the good stewardship of the monies we are receiving for the present and the future.

Governance, structure and management

In terms of Canon Law, the Institute is governed by a Superior General and General Council elected at a six-yearly General Chapter made up of representatives elected by all the professed members of the Institute. Being too small to be divided into Provinces, the Institute was divided into three geographical Regions: Sri Lanka and Madagascar each with a Regional Superior and her three councillors and the European Region (comprising England, Belgium, France and the Netherlands) with a Delegate appointed from each of these countries. England, now part of the Region of Europe, is financially autonomous.

In terms of civil law, the charity is governed by three trustees appointed having regard to their years of experience. Those now holding office have all been involved in teaching and the administration of educational establishments, subsequently widening their experience in other pastoral activities. Trustees are appointed for three yearly terms to ensure renewal and balance of competence. They attend conferences on charity law and other topics relevant to the charity's activities.

The names of the trustees who served during 2021 are set out on page 1 of this annual report and accounts.

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

Statement of trustees' responsibilities

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

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

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

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

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

Key management

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.

All trustees are members of the Institute and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or work as key management.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that systems are in place to mitigate exposure to these risks.

The trustees recognise their responsibility for the management of risks faced by the charity, the Institute in England and its individual members.

The trustees continue to review and update the charity's risks. This process has been particularly important during the Covid-19 pandemic.

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

- ◆ An analysis of the age profile of the members of the Institute shows that the average age in England at 31 December 2021 was 77 years. The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters.

Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

Governance, structure and management (continued)

Risk management (continued)

- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future.
- ◆ The charity donates monies in support of the wider Institute and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Institute. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ Operationally the charity works with children and vulnerable adults including older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Advisory Service (CSAS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers.

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.

Fundraising policy

The charity aims to achieve best practice in the way in which they communicate with donors and other supporters. Care is taken with both the tone of communications and the accuracy of data to minimise the pressures on supporters. Best practice is applied to protect supporters' data and data is never sold, swapped and communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding fundraising activities and to learn from them. During 2021, the charity received no complaints about its fundraising activities.

Members of the Institute

The trustees wish to record their recognition of the professionalism and commitment of individual members of the Institute. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

G.M.Murphy

Trustee

Approved by the trustees on: 3rd June 2022

Independent auditor's report to the trustees of The Sisters of Providence of Ruillé-sur-Loir CIO

Opinion

We have audited the accounts of The Sisters of Providence of Ruillé-sur-Loir CIO 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 to 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 management and 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; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

- ◆ Making enquiries of management and 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 financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of 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.

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements 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 this report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

9 June 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 Total funds £	2020 Total funds £
Income from:			
Donations and legacies	1	89,461	118,244
Investments and interest receivable	2	111,466	95,861
Other sources			
. Rental income		6,500	—
. Surplus on disposal of tangible fixed assets	3	4,118	—
. Miscellaneous		280	250
Total income		211,825	214,355
Expenditure on:			
Raising funds			
. Investment management fees		35,432	31,020
Charitable activities			
. Support of members of the Institute and their ministry	4	149,395	137,145
. Charitable grants and donations	5	84,487	9,349
Total expenditure		269,314	177,514
Net (expenditure) income before investment gains		(57,489)	36,841
Net investment gains	12	480,753	119,705
Net movement in funds	7	423,264	156,546
Reconciliation of funds:			
Funds balances at 1 January 2021		5,896,817	5,740,271
Funds balances at 31 December 2021		6,320,081	5,896,817

All income and expenditure related to unrestricted funds in both of the above accounting periods.

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

Balance sheet 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		811,795		838,165
Investments	12		5,104,642		4,658,527
			5,916,437		5,496,692
Current assets					
Debtors	14	1,889		3,051	
Short term deposits		169,143		169,126	
Cash at bank and in hand		299,079		268,637	
		470,111		440,814	
Current liabilities					
Creditors: amounts falling due within one year	15	(66,467)		(40,689)	
Net current assets			403,644		400,125
Total net assets			6,320,081		5,896,817
The funds of the charity					
Unrestricted income funds					
. Tangible fixed assets fund	16		811,795		838,165
. Designated funds	17		4,465,068		4,463,187
. General funds			1,043,218		595,465
			6,320,081		5,896,817

Approved by the trustees and signed on their behalf by:

G.M.Murphy

Trustee

Approved on: 3rd June 2022

Statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(124,892)	(31,098)
Cash flows from investing activities:			
Investment income and interest received		111,221	101,571
Proceeds from the disposal of tangible fixed assets		9,492	—
Purchase of tangible fixed assets		—	(181,309)
Proceeds from the disposal of investments		2,287,805	822,283
Purchase of investments		(2,315,000)	(758,188)
Net cash provided by (used in) investing activities		93,518	(15,643)
Change in cash and cash equivalents in the period		(31,374)	(46,741)
Cash and cash equivalents at 1 January 2021		518,311	565,052
Cash and cash equivalents at 31 December 2021	B	486,937	518,311

Notes to the statement of cash flows for the period to 31 December 2021

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

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	423,264	156,546
Adjustments for:		
Depreciation charge	20,996	23,684
Gains on investments	(480,753)	(119,705)
Investment income and interest receivable	(111,466)	(95,861)
Surplus on disposal of tangible fixed assets	(4,118)	—
Decrease (increase) in debtors	1,407	(2,611)
Increase in creditors	25,778	6,849
Net cash used in operating activities	(124,892)	(31,098)

B Analysis of cash and cash equivalents

	2021 £	2020 £
Short term deposits	169,143	169,126
Cash at bank and in hand	299,079	268,637
Cash held by investment managers	18,715	80,548
Total cash and cash equivalents	486,937	518,311

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

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 period to 31 December 2021 with comparatives given for 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

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

The only areas in the accounts where such judgements and estimates have been made are in respect to:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ Determining the amounts to be set aside as designated funds; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

Assessment of going concern (continued)

The trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

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

Income 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, investment income, interest receivable, rental 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.

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

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

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

All other income, including rental 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. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees only.
- ◆ 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 charitable grants and donations, costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

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 activity of supporting members of the Institute and enabling their ministry as any support and/or governance costs in relation to the provision of donations and grants is considered to be negligible.

Pension costs

The charity contributes to two pension arrangements for its members. A deferred annuity contract and a stakeholder contract, both of which are defined contribution pension schemes. Contributions in respect to both defined contribution schemes are charged to the statement of financial activities as they fall due.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Land and buildings

Land and buildings comprise freehold and long leasehold buildings. Depreciation is provided on both freehold and long leasehold properties at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the charity.

Freehold land and buildings owned by the charity since 1 January 1996 are included on the balance sheet at their estimated valuation as at that date net of accumulated depreciation. The valuations were determined by the trustees with professional assistance on the basis of replacement cost for existing use. Under the transitional provisions of FRS 102, these valuations are now regarded as deemed cost. Additions to freehold land and buildings since that date are included at cost.

◆ Fixtures and fittings

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ 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.

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.

Investments (continued)

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 accounting

The charity's funds comprise a number of unrestricted income funds which are available for application towards the charity's objectives. Within unrestricted funds the trustees have identified those non-liquid funds represented by tangible fixed assets and have designated certain amounts for specific purposes. Details of these funds are given in notes 16 and 17 to the accounts.

Services provided by members of the Institute

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

1 Income from: Donations and legacies

	2021 £	2020 £
Salaries and other pensions of individual religious received under Gift Aid or Deed of Covenant	88,896	117,944
Donations	565	300
	89,461	118,244

2 Income from: Investments and interest receivable

	2021 £	2020 £
Income from listed investments	111,449	95,746
Interest receivable		
. Bank interest	17	115
	111,466	95,861

3 Income from: Surplus on disposal of tangible fixed assets

	2021 £	2020 £
Disposal of motor vehicles	4,118	—

4 Expenditure on: Support of members of the Institute and their ministry

	2021 £	2020 £
Premises	51,590	37,321
Sisters' living and ministry expenses	77,449	80,079
Education, training and spiritual renewal	2,253	4,094
Governance costs (note 6)	18,103	15,651
	149,395	137,145

5 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the overseas work of the Institute.

The grants and donations payable during the year were as follows:

	2021 £	2020 £
Contribution to the Generalate of The Sisters of Providence of Ruillé-sur-Loir	50,000	—
Donation to the missions of The Sisters of Providence of Ruillé-sur-Loir		
. Sri Lanka	25,000	4,600
Donation to St Peter-in-Chains Church, Stroud Green, London	3,250	4,500
Donation to St Hugh's Church, Lincoln	5,000	—
Donations of less than £1,000 each	1,237	249
	84,487	9,349

6 Governance costs

	2021 £	2020 £
Legal and professional fees	5,531	1,475
Auditor's remuneration	12,572	14,176
	18,103	15,651

7 Net movement in funds

This is stated after charging:

	2021 £	2020 £
Auditor's remuneration (including VAT)		
. Statutory audit services	11,780	12,460
. Other advisory services	792	1,716
Depreciation	20,966	23,684

8 Staff costs

The charity had no employees during the year (2020: none).

9 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Institute and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Institute, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2020: none).

As members of the Institute, none of the trustees 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 £20,492 (2020: £20,590).

10 Taxation

The Sisters of Providence of Ruillé-sur-Loir CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings £	Long leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2021	844,627	178,659	18,912	31,498	1,073,696
Disposals	—	—	—	(10,750)	(10,750)
At 31 December 2021	<u>844,627</u>	<u>178,659</u>	<u>18,912</u>	<u>20,748</u>	<u>1,062,946</u>
Cost	669,627	178,659	18,912	20,748	887,946
Deemed cost: 1996 valuation	175,000	—	—	—	175,000
	<u>844,627</u>	<u>178,659</u>	<u>18,912</u>	<u>20,748</u>	<u>1,062,946</u>
Depreciation					
At 1 January 2021	189,046	3,573	16,789	26,123	235,531
Disposals	—	—	—	(5,376)	(5,376)
Charge for the year	16,893	3,573	530	—	20,996
At 31 December 2021	<u>205,939</u>	<u>7,146</u>	<u>17,319</u>	<u>20,747</u>	<u>251,151</u>
Net book values					
At 31 December 2021	<u>638,688</u>	<u>171,513</u>	<u>1,593</u>	<u>1</u>	<u>811,795</u>
At 31 December 2020	<u>655,581</u>	<u>175,086</u>	<u>2,123</u>	<u>5,375</u>	<u>838,165</u>

As permitted under Financial Reporting Standard 102 the charity has adopted a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings is based on a 1996 valuation net of depreciation, where appropriate, with additions since that date at cost and after adjusting for any impairment losses. Under the transitional provisions of FRS 102, the 1996 valuations are regarded as deemed cost. Other tangible fixed assets are stated at cost.

It is likely that there are differences between the open market value of the freehold land and buildings and their book values. These arise because of the specialised nature of the properties. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

The original cost of the freehold land and buildings cannot be ascertained with accuracy without incurring significant research time and costs which in the opinion of the trustees are not justified.

12 Fixed asset investments

	2021 £	2020 £
Listed investments		
Market value at 1 January 2021	4,577,979	4,522,369
Additions at cost	2,315,000	758,188
Disposals at opening book value (proceeds:£2,287,805, gains:£52,397)	(2,235,408)	(872,605)
Net unrealised investment gains	428,356	170,027
Market value at 31 December 2021	5,085,927	4,577,979
Cash held by investment manager	18,715	80,548
	5,104,642	4,658,527
Cost of listed investments as at 31 December 2021	4,211,540	3,772,394

Listed investments held at 31 December 2021 comprised the following:

	2021 £	2020 £
Government stocks	66,417	46,936
UK fixed interest and corporate bonds	674,621	327,140
UK equities	1,147,214	997,173
Overseas equities	2,340,540	2,447,529
UK unit trusts	368,821	359,785
Overseas unit trusts	488,314	399,416
	5,085,927	4,577,979

At 31 December 2021, the following individual holdings were deemed material in the context of the entire portfolio:

Holding	2020	
	Market value of holding £	Percentage of total portfolio %
Fidelity Investment Funds – Asia Fund – W-	245,230	5.4
Findlay Park American USB Distribution Units	299,102	6.5
Natixis Int Fds – Loomis Sayles US Growth Fd	245,681	5.4
PIMCO Funds Global Inv –Diversified Income	239,376	5.2
Xtrackers ESG MSCI USA UCITS ETF	250,715	5.5

13 Pension contracts

The charity contributed to both a deferred annuity contract and a stakeholder pension scheme administered to provide benefits in respect to individual members of the Institute. Under the terms of the deferred annuity contract, the assets are invested in a With Profits Deferred Policy on the lives of certain scheme members to provide a pension of £8,270 per annum on the member reaching the normal vesting date, which is the age of 65. The policy also includes a guaranteed cash option at normal vesting date under which the charity may exchange pension for a cash sum to be used in such manner as the trustees decide. The deferred annuity contract is with Phoenix Life.

13 Pension contracts (continued)

The stakeholder pension contract is a money purchase contract, under which the premiums paid are invested in the unitised Stakeholder With Profits Fund and the Stakeholder Managed Fund administered by Standard Life. Under the terms of the contract the charity contributes a sum of money on an annual basis which is invested equally in the two funds. The value of the benefit will depend on the amounts invested and performance of the assets underlying the funds.

14 Debtors

	2021 £	2020 £
Prepayments and accrued income	1,889	3,051

15 Creditors

	2021 £	2020 £
Accruals	53,467	40,689
Deferred Income	13,000	—
	66,467	40,689

Deferred income is in respect to rental income received but not due until 2022.

16 Tangible fixed assets fund

	£
At 1 January 2021	838,165
Net movements in year	(26,370)
At 31 December 2021	811,795

The tangible fixed assets fund represents the net book value of the charity's freehold properties and other tangible fixed assets. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets were essential to the day-to-day work of the charity and as such their value did not represent reserves available to finance operations.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2021 £	New designations £	Utilised or realised £	At 31 December 2021 £
Communities fund	91,846	102,163	(100,282)	93,727
Property repair and replacement fund	171,341	—	—	171,341
Retirement fund	3,350,000	—	—	3,350,000
Financing and Congregational fund	850,000	—	—	850,000
	4,463,187	102,163	(100,282)	4,465,068

17 Designated funds (continued)

	At 1 January 2020 £	New designations £	Utilised or realised £	At 31 December 2020 £
Communities fund	78,610	93,470	(80,234)	91,846
Property repair and replacement fund	350,000	—	(178,659)	171,341
Retirement fund	3,200,000	150,000	—	3,350,000
Financing and Congregational fund	650,000	200,000	—	850,000
	<u>4,278,610</u>	<u>443,470</u>	<u>(258,893)</u>	<u>4,463,187</u>

♦ Communities fund

This fund relates to cash and bank balances held by the communities to meet their day-to-day costs. As these amounts have been assigned to the communities, the trustees believe that a separate fund should be designated for this purpose. The transactions on the funds, including designations released (and new designations) being transfers to (and from) the charity's central bank accounts, represent the net movement in the communities' cash and bank balances during the year.

♦ Property repair and replacement fund

The property repair and replacement fund represents an amount designated by the trustees to finance potential future expenditure on purchasing and modifying properties to accommodate older and frail sisters.

♦ Retirement fund

A fund had been designated in respect to the charity's commitment to provide for the care of the members of the Institute in old age and sickness. The trustees have set aside assets equal to £3,350,000 for this purpose. This figure is re-assessed at the end of each year and adjusted if necessary.

♦ Financing and Congregational fund

This fund has been established to finance grants and donations including contributions to the Congregation's work overseas.

18 Analysis of net assets between funds

The fund balances at 31 December were represented by the following assets and liabilities:

	Designated funds £	Tangible fixed assets fund £	General funds £	2021 Total £
Balances at 31 December 2021 are represented by:				
Tangible fixed assets	—	811,795	—	811,795
Investments	4,371,341	—	733,301	5,104,642
Net current assets	93,727	—	309,917	403,644
	<u>4,465,068</u>	<u>811,795</u>	<u>1,043,218</u>	<u>6,320,081</u>

18 Analysis of net assets between funds (continued)

	Designated funds £	Tangible fixed assets fund £	General funds £	2020 Total £
Balances at 31 December 2020 are represented by:				
Tangible fixed assets	—	838,165	—	838,165
Investments	4,371,341	—	287,186	4,658,527
Net current assets	91,846	—	308,279	400,125
	<u>4,463,187</u>	<u>838,165</u>	<u>595,465</u>	<u>5,896,817</u>

The total unrealised gains as at 31 December 2021 constitute movements on revaluations of investments and are as follows:

	2021 £	2020 £
Total unrealised gains at 31 December 2021	874,387	805,585
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2021	805,585	679,183
In respect to disposals in year	(359,554)	(43,625)
Net gains arising on revaluation in the year	428,356	170,027
Unrealised gains at 31 December 2021	874,387	805,585

19 Ultimate control and liability of members

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

20 Related party transactions

Sister Gillian Murphy, a trustee of the Charitable Incorporated Organisation, serves as the Assistant General to the Generalate of the Institute in France. There were donations of £50,000 during the year from the charity to the Generalate (2020: £nil).

Donations by the trustees to the charity are disclosed in note 9 to these accounts.

There are no other related party transactions requiring disclosure in these accounts (2020: none).

THE SISTERS OF PROVIDENCE OF RUILLE-SUR-LOIR

England & Wales - Charity number 1177083

Accounts

The Sisters of Providence of Ruillé-sur-Loir CIO

Annual Report and Accounts

31 December 2020

Charity Registration Number
1177083

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Trustees	Sister Ann Heaney Sister Gillian Murphy Sister Eileen Keane
Principal contact	Sister Gillian Murphy
Principal address	65 Nettleham Road Lincoln LN2 1RT
Charity registration number	1177083
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	Lloyds Bank plc 202 High Street Lincoln LN5 7AP
Investment managers	Barclays Wealth Management Limited 1 Churchill Place London E14 5HP
Solicitors	Gateley plc One Eleven Edmund Street Birmingham B3 2HJ mfg Solicitors Adam House Birmingham Road Kidderminster DY10 2SH

The trustees present the report and accounts of The Sisters of Providence of Ruillé-sur-Loir 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 24 to 29 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of Statement of Recommended Practice on 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).

Introduction

The Institute of The Sisters of Providence of Ruillé-sur-Loir (the 'Institute') is an international Congregation of Roman Catholic women founded in the aftermath of the French Revolution in the small village of Ruillé-sur-Loir in the diocese of Le Mans, in France. At the end of that century, because legislation in France was becoming anti-clerical and anti-religious, some of the sisters came to England to carry out their work. The Institute continued to spread to other countries during the following century, first to Belgium and the Netherlands, then to Sri Lanka and Madagascar. These countries now comprise separate Regions of the Institute.

Since its foundation in 1806, the Institute's purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn. During 2015 the Institute fused with a smaller Congregation of Sisters of Providence of Sees. This Congregation of some 40 elderly French sisters has now become part of the Institute. The Institute now numbers about 280 members spread through the above countries. The Institute, with its Generalate in Le Mans, has always been outward looking and each Region shares in the mission undertaken in any part of the world where the sisters are present.

The accounts accompanying this report are the accounts of the charity through which the activities and assets of the Institute in England are administered. The charity is a Charitable Incorporated Organisation (CIO) and is governed by a constitution dated 9 February 2018 and is registered under the Charities Act 2011 – Charity Registration Number: 1177083.

Mission

The object of The Sisters of Providence of Ruillé-sur-Loir CIO is to advance the religious and other charitable work of the sisters of the Institute.

By caring for individual members of the Institute throughout their lives within the Institute, the charity aims to enable and support the sisters to live out their faith and to put that faith into practice through a variety of religious and other charitable works.

When setting the objectives and planning the work of the charity, and when encouraging the work of individual sisters, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Mission (continued)

The works or ministries of the sisters of the Institute fall into the following main areas:

- ◆ **Worship and prayer**
Members of the Institute are given the opportunity for private worship and to continue to develop their knowledge and trust in Jesus and the Church through quiet prayer, study of the Gospel and spiritual development. In addition, members of the Institute celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance or by just being available to listen in times of need, through the giving of retreats and the celebration of the Liturgy through prayer groups and church services.
- ◆ **Social and pastoral work**
Since its formation, the Institute's (and hence the sisters') purpose has continued to be to serve people, principally through education and health care, thereby enabling them to grow as people, live with dignity and self worth, and help others to do so in their turn.
- ◆ **Supporting other parts of the Institute**
The charity supports the work of the Institute overseas by the provision of grants and donations for specific projects.

Activities, specific achievements and relevant policies

Activities and specific achievements

As stated above under "Mission", the aims of the charity are to care for individual members of the Institute throughout their lives with the Institute and so enable and support them to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

There are currently seven sisters in England, and a sister on the General Council in France who divides her time between England and the rest of the Congregation. The Sri Lankan Sister who was in Lincoln returned to her country upon the expiration of her visa.

Currently, all of the sisters live in Lincoln following two of the sisters moving from London during the year.

- ◆ **Caring for members of the Institute**
In common with many religious congregations in England, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations declines.

The Institute 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 most of their lives to education and the care of other people.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Caring for members of the Institute (continued)

This obligation also means caring for the members of the Institute in the Region, particularly those who are in poor health, enabling them to continue with their individual apostolate for as long as they are willing and able, ensuring that all members receive the level of care they need and deserve, and giving them the quality of life they have a right to expect. Whatever their age or state of health, all sisters are encouraged to share in the mission of the Institute, whether that be by being involved in administration or being part of the welcoming community, interested in the wellbeing of our visitors and friends, and when able, engaging in activities involving members of the public or simply by their prayer.

As the age profile of the Institute increases, so too does the need to provide extra care for the sisters. With this already necessary, the trustees of the charity are giving careful thought to the financial implications.

During this year, in particular, the health of some of the Sisters has diminished rapidly, partly due to the restrictions imposed by the COVID pandemic but also because of dementia for one sister. Because of these issues, we have looked at the way in which we support the elderly and vulnerable sisters in the communities. As a result, Sisters in London who were living in unsuitable accommodation moved to Lincoln into a retirement apartment more suited to their needs. The church is across the road and all other commodities including a medical practice are within short walking distance. With the arrival of the two sisters in Lincoln the sisters in the other community have been able to be supported and given respite. This has been particularly necessary since one Sister is now dependent and very confused. The mental health of this Sister has been aggravated because of the COVID lockdown, since she has not been able to keep up with her usual activities nor benefit from the therapeutic activities on offer in Lincoln for people with dementia. This has obviously put a strain on the remaining elderly sisters in the community who have to give extra help and support. The services of the housekeeper have been essential during the last year, as well as the care from social services providing morning and evening care. We are enormously grateful to the volunteers who help with certain tasks and visits to alleviate the pressure.

♦ Worship and prayer

As well as providing the necessary means for the sisters to fulfil their spiritual obligations and needs, the sisters celebrate and pray with the wider community including people of other faiths and none. They do this through the provision of spiritual guidance or just being available to listen in times of need, and by joining with the public in Liturgical Celebrations in the local Catholic Parish Church or Anglican Churches. Due to the COVID pandemic it has not been possible to be physically present at many of the public celebrations this year, but the Sisters have remained in contact and prayed with parishioners and others through Zoom, the telephone and through correspondence.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Worship and prayer (continued)

Parishioners ring up with prayer requests and the sisters ensure that parishioners know that they are included in the thoughts and prayers of the sisters, thus bringing much consolation to people in need at this time.

A Sister in her 80s sums up this situation; *"Having trained ourselves to use Zoom, we have been able to meet with and pray with our sisters and other contacts, not forgetting more frequent use of the telephone and social media to support those in need."*



The sisters particularly value their ecumenical and interfaith relationships and activities. Although the pandemic prevented the Sisters from meeting up with the Council for Christians and Jews in Lincoln they kept in touch and celebrated feasts using Zoom and other social media.



Jews House, Lincoln

They maintain contacts with other networks, particularly concerned with Religious Life both at diocesan and national level.

"Our activities with the Association of Senior Religious were also affected. The National Conference was cancelled and the committee of which one of the sisters is a member had to communicate with each other by mastering Zoom. We also continued to produce the Newsletter for the animation of the members."

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Social and pastoral work

The sisters' vocation calls them to "witness to the love and goodness of the Father." This they do in their various ministries following the example of their Founders and in line with the charism and aims of the Institute. These ministries can be divided into specifically religious works and general pastoral work.

Religious works

Religious works include:

♦ Ministries in local parishes

The ministry in local parishes ranges from full time to part time work, with the underlying intention of helping parishioners develop their spiritual lives while giving them any other support they need in their day to day living. Sisters are heavily involved in parish work. For example, they help bereaved, grieving members of the parish to prepare the funeral services for their deceased relatives, whilst accompanying them at these difficult moments. They also care for the elderly members of the parishes through visiting, taking Holy Communion and bringing isolated people together to socialise and enjoy some time together, although this mission has been curtailed for much of the year. One Sister commented; *"Visits to the elderly in care homes had to be conducted from a Perspex kiosk!"*

Despite the pandemic, the Sisters have been able to maintain this pastoral care through the use of the telephone and social media. Sisters have also been present, where possible, at the funerals of parishioners and at the request of bereaved families, due to the limit on numbers being able to attend.

♦ Catechetics and sacramental preparation

Much of the catechetical work in the parishes is facilitated in groups. As it was not possible to meet in these groups this year, the work of catechesis has been done in a more limited way through the use of social media with motivated individuals and small groups.

♦ Retreats, spiritual direction and related activities

"In London this has been an unusual year for us. We were still able to pursue our mission in the early months of the year. We were able to meet with our Providence Friends and Faith Sharing group just for two weeks into Lent and could not finish with our usual Passover Meal, before Easter."

Increasingly, because of loneliness and mental health issues related to the isolation of COVID, the Sisters have been more involved in accompaniment of certain individuals over the telephone. Even the carers who look after the Sisters have sought guidance from them.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

♦ Social and pastoral work (continued)

General pastoral work

This area of work includes:

♦ Nursing within the NHS

One sister continues to work within the NHS with children and families with learning disabilities. This year she has been called on to work in more creative ways because of the risks the pandemic poses to the young people who are extremely vulnerable, and, who, for the most part, have had to shield for most of the time. This has had important consequences for the education and the development of the young people concerned and has placed enormous strain on the families. Therefore interventions from nursing and other professionals have been more important, more frequent and more complicated.

♦ Solidarity with the poor

One of the consequences of the pandemic has been the increase in people who find themselves in poverty. The Sisters have been able to help with donations to foodbanks and donations of furniture and other materials to poor families as a consequence of their move from London to Lincoln.

♦ School, hospital and ecumenical chaplaincies

Due to their age and health, most of the Sisters have had to shield for the year, meaning that they have not been physically present in the chaplaincies. The work of the chaplaincies has been hindered by the fact that people were not allowed into the hospitals and the schools have, for the most part, been closed. However, the Sisters have kept in regular touch with families of people who would have needed hospital chaplaincy and support.

♦ Work with the travelling community

Similarly, the Sister who works with the travellers has been shielding, but this has not stopped regular contacts through telephone or, when permitted, in the garden or an open space.

♦ Administrative work for the Institute and Region

Despite the pandemic the Sisters have been able to continue the translation work for the Congregation. Translation of documents from French to English is of the greatest importance especially for the younger Sisters in Sri Lanka who do not have the opportunity to learn French.

Activities, specific achievements and relevant policies (continued)

Activities and specific achievements (continued)

Also part of obligation to care for members is the requirement to support the members of the Institute in the other regions when this is needed, particularly in the southern hemisphere.

◆ Supporting *other parts of the Institute*

Here is the report from the Sister who is responsible for the Counselling centre funded, in part, by the English region.



Counselling Centre Tewatte, Ragama

Currently, we are aware of the significant need to help the people who have mental health problems in our society. In 2015 we started serving the mentally distressed in a small room in our convent and as a result hundreds of people restarted their lives and are functioning well today.

The need for a counselling centre was then discerned when the number seeking help gradually increased for different issues in their lives. The need for a waiting room, toilet facilities for the clients, some space for a child to wait until their parent or guardian had their appointment were among the priorities.

The building of the Counselling centre was then planned and started on 26 June 2019 in our convent grounds in Tewatta, Ragama. Today the building work is finished and we have managed to start practicing counselling in this new building. With all of your very generous contributions we managed to establish our "MANPURA (The Joyful Mind) Counselling Centre" on 9 July 2020.



The waiting area is a huge convenience for clients to come and wait for their appointments, especially for the those who travel from far (they usually arrive very early in the morning).

The privacy they have here of not being noticed by anyone has been admired by them, and the silent atmosphere helps further.

The washrooms are for their use, there are different doors to exit, play room for the babies, office room for the books and files, a kitchenette to make a cup of tea etc.... all of which helps so much for the mission.



Activities, specific achievements and relevant policies (continued)

Investment policy

♦ Listed investments

Under the charity's constitution, the trustees may invest in any investments authorised by law. During the year, charity's investments were managed by Barclays Wealth Management Limited.

The charity's investment policy is to maintain a balanced return from both income and capital with a medium level of risk. The trustees, on the advice of the professional and lay advisers, review the policy annually. The trustees believe that the social and Gospel values of the Catholic Church should be present in the manner in which money is invested and in the way it is used to enhance the development of the charity and the achievement of its objectives. Investments are to be ethically chosen, whilst being mindful of the Charities Act requirement to seek the best possible returns. To achieve this we maintain a diversified investment portfolio.

The performance of the portfolio and the charity's investment strategy have been reviewed by the trustees whose representatives meet with the investment managers every six months.

♦ Annuity and pension contracts

As the sisters are members of a religious congregation and have taken a vow of poverty, any rights they might have to assets and income have been given over to the Institute which, therefore, is responsible for their upkeep and well-being.

The charity has been putting aside monies in a "Pension Scheme" (deferred annuity contracts) for each sister over the last twenty or more years. The scheme provider is Phoenix Life (previously Royal Insurance Company Limited).

Under the terms of the contract, on a member of the scheme reaching the age of 65, the charity may receive either an agreed (guaranteed) basic annuity (pension) over the remaining life of the scheme member together with any bonuses attaching thereto, or receive a cash option in exchange for the 'pension'.

Financial review

Results for the year

A summary of the results for the year to 31 December 2020 can be found on page 21 of this report and accounts.

Total income amounted to £214,355 (2019: £254,973 before the transfer of net assets from the Charitable Trust). Total salaries and pensions income included within donations in the period amounted to £117,944 (2019: £107,870). All salaries and pensions are covenanted to the charity. Investment income and interest receivable totalled £95,861 (2019: £137,289).

Financial review (continued)

Results for the year (continued)

The transfer (or donation) of the assets and liabilities of the Charitable Trust with effect from 1 January 2019 provided income of £5,205,956 to give total income in 2019 of £5,460,929.

Expenditure totalled £177,514 (2019: £297,070). Expenditure incurred on maintaining the members of the Institute and supporting them in their pastoral work and ministry amounted to £137,145 (2019: £138,003). Fees paid to the charity's investment managers during the year amounted to £31,020 (2019: £31,569). Charitable grants and donations amounted to £9,349 (2019: £127,498). In 2019 these donations were principally in support of the overseas work of the Institute,

Net income for the year before investment gains, therefore, was £36,841 (2019: £5,163,859). Net investment gains of £119,705 (2019: £576,412) resulted in a net increase in funds for the period of £156,546 (2019: £5,740,271).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out earlier in this report.

During the period, the charity's investments achieved an income yield of 2.1% (2019: 3.22%) and a capital yield of 2% (2019: 14%). Further details of the investment portfolio are included in note 12 to the attached accounts.

The trustees take a long term view and believe their investment policy should continue to be applied.

Reserves policy and financial position

Reserves policy

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of the religious members whose average age is increasing and whose needs are changing.

The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes, or otherwise committed. In considering the level of reserves, trustees take into account forecasts of future income and expenditure, potential needs and risks, and the need to ensure the continuity of activity. 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.

Given the nature of the charity's work and the increasing, often unpredictable, call on its resources to provide continuing essential care to its members, especially those impaired by age and illness, the trustees believe that the level of free reserves may be up to thirty six months' worth of expenditure without giving rise to concern.

Financial review (continued)

Reserves policy and financial position (continued)

Financial position

At 31 December 2020, the charity had net assets totalling £5,896,817 (2019: £5,740,271). Of this, £838,165 (2019: £680,540) was represented by properties and other tangible fixed assets essential for the support and work of the sisters. £3,350,000 (2019: £3,200,000) represented a retirement reserve designated to provide an income to maintain the sisters as they grow older. £171,341 (2019: £350,000) had been set aside as a property repair and replacement fund to be used to purchase and modify properties to accommodate older and frail sisters.

Community funds being the cash and bank balances held by communities and designated or set aside to meet their day-to-day costs amounted to £91,846 (2019: £78,610).

The trustees have also set aside £850,000 (2019: £650,000) in a Financing and Congregational fund with the broad intention to use the fund for making donations including contributions to the Congregation's work overseas. It is expected that the money will continue to be invested and income from this fund will be used to fund future donations.

Therefore, at 31 December 2020, funds which are available to support the work of the sisters in the future are those shown on the balance sheet as general funds and total £595,465 (2019: £781,121). The trustees are of the opinion that this level of free reserves was 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 plan to continue to care for the sisters as long as possible and enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible in the way of evangelising; and to monitoring the needs of the sisters as they grow older and to ensuring the provision of care to elderly members.

Paying due heed to the impact of the Covid-19 pandemic and its consequences, both socially and economically, we will continue to work towards the good stewardship of the monies we are receiving for the present and the future.

Governance, structure and management

In terms of Canon Law, the Institute is governed by a Superior General and General Council elected at a six-yearly General Chapter made up of representatives elected by all the professed members of the Institute. Being too small to be divided into Provinces, the Institute was divided into three geographical Regions: Sri Lanka and Madagascar each with a Regional Superior and her three councillors and the European Region (comprising England, Belgium, France and the Netherlands) with a Delegate appointed from each of these countries. England, now part of the Region of Europe, is financially autonomous.

Governance, structure and management (continued)

In terms of civil law, the charity is governed by three trustees appointed having regard to their years of experience. Those now holding office have all been involved in teaching and the administration of educational establishments, subsequently widening their experience in other pastoral activities. Trustees are appointed for three yearly terms to ensure renewal and balance of competence. They attend conferences on charity law and other topics relevant to the charity's activities.

The names of the trustees who served during 2020 are set out on page 1 of this annual report and accounts.

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

Statement of trustees' responsibilities

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

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

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

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

Governance, structure and management (continued)

Key management

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.

All trustees are members of the Institute and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or work as key management.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances, and are satisfied that systems are in place to mitigate exposure to these risks.

The outbreak of the Covid-19 pandemic has clearly presented the charity with challenges to its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity, the Institute in England and its individual members.

The trustees continue to review and update the charity's risks. This process is deemed particularly important during the current Covid-19 pandemic.

The financial and operational effects of Covid-19 are referred to earlier in this report. Over and above these, the areas identified for particular attention within our risk management strategy are:

- ♦ An analysis of the age profile of the members of the Institute shows that the average age in England at 31 December 2020 was 76 years. The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters.

Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

Governance, structure and management (continued)

Risk management (continued)

- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future. During the current Covid-19 pandemic, the trustees continue to communicate with the charity's investment manager and, whilst there are concerns over the falls in world stock markets, the trustees acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to recover over time whilst the trustees keep a watching brief.
- ◆ The charity donates monies in support of the wider Institute and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Institute. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ Operationally the charity works with children and vulnerable adults including older people. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Advisory Service (CSAS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers.

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 including those presented by Covid-19.

Fundraising policy

The charity aims to achieve best practice in the way in which they communicate with donors and other supporters. Care is taken with both the tone of communications and the accuracy of data to minimise the pressures on supporters. Best practice is applied to protect supporters' data and data is never sold, swapped and communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding fundraising activities and to learn from them. During 2020, the charity received no complaints about its fundraising activities.

Members of the Institute

The trustees wish to record their recognition of the professionalism and commitment of individual members of the Institute. Their dedication and positive approach are very much appreciated.

Approved by the trustees and signed on their behalf by:

Gillian Murphy

Trustee

Approved by the trustees on: 27 July 2021

Independent auditor's report to the trustees of The Sisters of Providence of Ruillé-sur-Loir CIO

Opinion

We have audited the accounts of The Sisters of Providence of Ruillé-sur-Loir CIO 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 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 to 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 management and 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; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

- ◆ Making enquiries of management and 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 financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of 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.

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements 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 this report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

29 July 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 Total funds £	2019 Total funds £
Income from:			
Donations and legacies	1	118,244	113,503
Investments and interest receivable	2	95,861	137,289
Other sources			
. Surplus on disposal of tangible fixed assets	3	—	1,374
. Miscellaneous		250	2,807
		214,355	254,973
Transfer from The Sisters of Providence of Ruillé-sur-Loir Charitable Trust (Charity Registration No. 232363)	21	—	5,205,956
Total income		214,355	5,460,929
Expenditure on:			
Raising funds			
. Investment management fees		31,020	31,569
Charitable activities			
. Support of members of the Institute and their ministry	4	137,145	138,003
. Charitable grants and donations	5	9,349	127,498
Total expenditure		177,514	297,070
Net income before investment gains		36,841	5,163,859
Net investment gains	12	119,705	576,412
Net movement in funds	7	156,546	5,740,271
Reconciliation of funds:			
Funds balances at 1 January 2020		5,740,271	—
Funds balances at 31 December 2020		5,896,817	5,740,271

All income and expenditure related to unrestricted funds in both of the above accounting periods.

With effect from 1 January 2019, the activities, assets and liabilities were transferred as a going concern into this Charitable Incorporated Organisation (CIO) from The Sisters of Providence of Ruillé-sur-Loir Charitable Trust (Charity Registration No. 232363)

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

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11		838,165		680,540
Investments	12		4,658,527		4,569,697
			5,496,692		5,250,237
Current assets					
Debtors	14	3,051		6,150	
Short term deposits		169,126		169,058	
Cash at bank and in hand		268,637		348,666	
		440,814		523,874	
Current liabilities					
Creditors: amounts falling due within one year	15	(40,689)		(33,840)	
Net current assets			400,125		490,034
Total net assets			5,896,817		5,740,271
The funds of the charity					
Unrestricted income funds					
. Tangible fixed assets fund	16		838,165		680,540
. Designated funds	17		4,463,187		4,278,610
. General funds			595,465		781,121
			5,896,817		5,740,271

Approved by the trustees and signed on their behalf by:

Gillian Murphy

Trustee

Approved on: 27 July 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	(31,098)	(165,697)
Cash flows from investing activities:			
Investment income and interest received		101,571	131,139
Proceeds from the disposal of tangible fixed assets		—	1,374
Purchase of tangible fixed assets		(181,309)	(10,750)
Proceeds from the disposal of investments		822,283	1,256,889
Purchase of investments		(758,188)	(1,207,396)
Net cash (used in) provided by investing activities		(15,643)	171,256
Change in cash and cash equivalents in the period		(46,741)	5,559
Cash transferred from The Sisters of Providence of Ruillé-Sur-Loir Charitable Trust (note 21)		—	559,493
Cash and cash equivalents at 1 January 2020		565,052	—
Cash and cash equivalents at 31 December 2020	B	518,311	565,052

Notes to the statement of cash flows for the period 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)	156,546	5,740,271
Adjustments for:		
Transfer from The Sisters of Providence of Ruillé-Sur-Loir Charitable Trust (note 21)	—	(5,205,956)
Depreciation charge	23,684	20,955
Gains on investments	(119,705)	(576,412)
Investment income and interest receivable	(95,861)	(137,289)
Surplus on disposal of tangible fixed assets	—	(1,374)
(Decrease) increase in debtors	(2,611)	1,754
Increase (decrease) in creditors	6,849	(7,646)
Net cash used in operating activities	(31,098)	(165,697)

B Analysis of cash and cash equivalents

	2020 £	2019 £
Short term deposits	169,126	169,058
Cash at bank and in hand	268,637	348,666
Cash held by investment managers	80,548	47,328
Total cash and cash equivalents	518,311	565,052

Principal accounting policies 31 December 2020

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

Basis of preparation

These accounts have been prepared for the period to 31 December 2020 with comparatives given for 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

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

The only areas in the accounts where such judgements and estimates have been made are in respect to:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ Determining the amounts to be set aside as designated funds; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

Assessment of going concern (continued)

The full impact on the charity's income and expenditure and financial position following the global Covid-19 pandemic is still unknown. Since March 2020 the Covid-19 pandemic has changed 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 charity's control.

As most of the members of the Institute in England are aged over 70, the trustees have had to adhere to the stringent government advice issued on 23 March 2020. This has meant that the sisters' normal apostolic activities have had to find new shape.

The charity's income has been affected because of the falls in income from listed investments as stock markets and the corporate sector, in particular, have reacted to the pandemic. The trustees will continue to keep both income and expenditure under review.

During the current Covid-19 pandemic, the trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

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

Income 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, investment income, 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.

Income recognition (continued)

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

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

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

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

Expenditure 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. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees.
- ◆ 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 charitable grants and donations, costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

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 activity of supporting members of the Institute and enabling their ministry as any support and/or governance costs in relation to the provision of donations and grants is considered to be negligible.

Pension costs

The charity contributes to two pension arrangements for its members. A deferred annuity contract and a stakeholder contract, both of which are defined contribution pension schemes. Contributions in respect to both defined contribution schemes are charged to the statement of financial activities as they fall due.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Land and buildings

Land and buildings comprise freehold and long leasehold buildings. Depreciation is provided on both freehold and long leasehold properties at 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the charity.

Freehold land and buildings owned by the charity since 1 January 1996 are included on the balance sheet at their estimated valuation as at that date net of accumulated depreciation. The valuations were determined by the trustees with professional assistance on the basis of replacement cost for existing use. Under the transitional provisions of FRS 102, these valuations are now regarded as deemed cost. Additions to freehold land and buildings since that date are included at cost.

◆ Fixtures and fittings

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ 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.

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.

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 accounting

The charity's funds comprise a number of unrestricted income funds which are available for application towards the charity's objectives. Within unrestricted funds the trustees have identified those non-liquid funds represented by tangible fixed assets and have designated certain amounts for specific purposes. Details of these funds are given in notes 16 and 17 to the accounts.

Principal accounting policies 31 December 2020

Services provided by members of the Institute

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

1 Income from: Donations and legacies

	2020 £	2019 £
Salaries and other pensions of individual religious received under Gift Aid or Deed of Covenant	117,944	107,870
Donations	300	5,633
	118,244	113,503

2 Income from: Investments and interest receivable

	2020 £	2019 £
Income from listed investments	95,746	137,130
Interest receivable		
. Bank interest	115	159
	95,861	137,289

3 Income from: Surplus on disposal of tangible fixed assets

	2020 £	2019 £
Disposal of motor vehicles	—	1,374

4 Expenditure on: Support of members of the Institute and their ministry

	2020 £	2019 £
Premises	37,321	32,698
Sisters' living and ministry expenses	80,079	83,476
Education, training and spiritual renewal	4,094	4,996
Governance costs (note 6)	15,651	16,833
	137,145	138,003

5 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the overseas work of the Institute.

The grants and donations payable during the year were as follows:

	2020 £	2019 £
Contribution to the Generalate of The Sisters of Providence of Ruillé - sur-Loir	—	125,000
Donation to the missions of The Sisters of Providence of Ruillé -sur-Loir . Sri Lanka	4,600	1,500
Donation to St Peter-in-Chains Parish, Stroud Green, London	4,500	—
Donations of less than £1,000 each	249	998
	9,349	127,498

6 Governance costs

	2020 £	2019 £
Legal and professional fees	1,475	3,511
Auditor's remuneration	14,176	13,322
	15,651	16,833

7 Net movement in funds

This is stated after charging:

	2020 £	2019 £
Auditor's remuneration (including VAT)		
. Statutory audit services	12,460	13,322
. Other advisory services	1,716	—
Depreciation	23,684	20,955

8 Staff costs

The charity had no employees during the year (2019: none).

9 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Institute and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Institute, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2019: none).

As members of the Institute, none of the trustees 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 £20,590 (2019: £19,626).

10 Taxation

The Sisters of Providence of Ruillé-sur-Loir CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold land and buildings £	Long leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2020	844,627	—	16,262	31,498	892,387
Additions	—	178,659	2,650	—	181,309
At 31 December 2020	<u>844,627</u>	<u>178,659</u>	<u>18,912</u>	<u>31,498</u>	<u>1,073,696</u>
Cost	669,627	178,659	18,912	31,498	898,696
Deemed cost: 1996 valuation	<u>175,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>175,000</u>
	<u>844,627</u>	<u>178,659</u>	<u>18,912</u>	<u>31,498</u>	<u>1,073,696</u>
Depreciation					
At 1 January 2020	172,153	—	16,259	23,435	211,847
Charge for the year	<u>16,893</u>	<u>3,573</u>	<u>530</u>	<u>2,688</u>	<u>23,684</u>
At 31 December 2020	<u>189,046</u>	<u>3,573</u>	<u>16,789</u>	<u>26,123</u>	<u>235,531</u>
Net book values					
At 31 December 2020	<u>655,581</u>	<u>175,086</u>	<u>2,123</u>	<u>5,375</u>	<u>838,165</u>
At 31 December 2019	<u>672,474</u>	<u>—</u>	<u>3</u>	<u>8,063</u>	<u>680,540</u>

As permitted under Financial Reporting Standard 102 the charity has adopted a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings transferred from The Sisters of Providence of Ruillé-sur-Loir Charitable Trust (note 21) is based on a 1996 valuation net of depreciation, where appropriate, with additions since that date at cost and after adjusting for any impairment losses. Under the transitional provisions of FRS 102, the 1996 valuations were regarded as deemed cost to The Sisters of Providence of Ruillé-sur-Loir Charitable Trust and as such to the charity. Other tangible fixed assets are stated at cost.

It is likely that there are differences between the open market value of the freehold land and buildings and their book values. These arise because of the specialised nature of the properties. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the accounts.

The original cost of the freehold land and buildings transferred to the charity cannot be ascertained with accuracy without incurring significant research time and costs which in the opinion of the trustees are not justified.

12 Fixed asset investments

	2020 £	2019 £
Listed investments		
Market value at 1 January 2020	4,522,369	—
Transfer from The Sisters of Providence of Ruillé-sur-Loir Charitable Trust (note 21)	—	3,995,450
Additions at cost	758,188	1,207,396
Disposals at opening book value (proceeds:£822,283, losses:£50,322)	(872,605)	(1,179,318)
Net unrealised investment gains	170,027	498,841
Market value at 31 December 2020	4,577,979	4,522,369
Cash held by investment manager	80,548	47,328
	4,658,527	4,569,697
Cost of listed investments as at 31 December 2020	3,772,394	3,843,186

Listed investments held at 31 December 2020 comprised the following:

	2020 £	2019 £
Government stocks	46,936	42,578
UK fixed interest and corporate bonds	327,140	526,126
UK equities	997,173	1,229,304
Overseas equities	2,447,529	2,197,662
UK unit trusts	359,785	443,647
Overseas unit trusts	399,416	83,052
	4,577,979	4,522,369

At 31 December 2020, the following individual holdings were deemed material:

Holding	2020		2019	
	Market value of holding £	Percentage of total portfolio %	Market value of holding £	Percentage of total portfolio %
Fidelity Investment Funds – Asia Fund – W-	245,230	5.4	—	—
Findlay Park American USB Distribution Units	299,102	6.5	268,837	5.9
Natixis Int Fds – Loomis Sayles US Growth Fd	245,681	5.4	—	—
PIMCO Funds Global Inv –Diversified Income	239,376	5.2	—	—
Robeco Luxembourg Emerging cons Eq	—	—	262,057	5.8
Xtrackers ESG MSCI USA UCITS ETF	250,715	5.5	—	—

13 Pension contracts

The charity contributed to both a deferred annuity contract and a stakeholder pension scheme administered to provide benefits in respect to individual members of the Institute. Under the terms of the deferred annuity contract, the assets are invested in a With Profits Deferred Policy on the lives of certain scheme members to provide a pension of £8,270 per annum on the member reaching the normal vesting date, which is the age of 65. The policy also includes a guaranteed cash option at normal vesting date under which the charity may exchange pension for a cash sum to be used in such manner as the trustees decide. The deferred annuity contract is with Phoenix Life.

13 Pension contracts (continued)

The stakeholder pension contract is a money purchase contract, under which the premiums paid are invested in the unitised Stakeholder With Profits Fund and the Stakeholder Managed Fund administered by Standard Life. Under the terms of the contract the charity contributes a sum of money on an annual basis which is invested equally in the two funds. The value of the benefit will depend on the amounts invested and performance of the assets underlying the funds.

14 Debtors

	2020 £	2019 £
Prepayments and accrued income	3,051	6,150

15 Creditors

	2020 £	2019 £
Accruals	40,689	33,840

16 Tangible fixed assets fund

	£
At 1 January 2020	680,540
Net movements in year	157,625
At 31 December 2020	838,165

The tangible fixed assets fund represents the net book value of the charity's freehold properties and other tangible fixed assets. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets were essential to the day-to-day work of the charity and as such their value did not represent reserves available to finance operations.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2020 £	New designations £	Utilised or realised £	At 31 December 2020 £
Communities fund	78,610	93,470	(80,234)	91,846
Property repair and replacement fund	350,000	—	(178,659)	171,341
Retirement fund	3,200,000	150,000	—	3,350,000
Financing and Congregational fund	650,000	200,000	—	850,000
	4,278,610	443,470	(258,893)	4,463,187

17 Designated funds (continued)

	At 1 January 2019 £	Transfer from Charitable Trust (see note 21) £	New designations £	Utilised or realised £	At 31 December 2019 £
Communities fund	—	52,065	152,103	(125,558)	78,610
Property repair and replacement fund	—	350,000	—	—	350,000
Retirement fund	—	3,200,000	—	—	3,200,000
Financing and Congregational fund	—	650,000	—	—	650,000
	—	4,252,065	152,103	(125,558)	4,278,610

◆ **Communities fund**

This fund relates to cash and bank balances held by the communities to meet their day-to-day costs. As these amounts have been assigned to the communities, the trustees believe that a separate fund should be designated for this purpose. The transactions on the funds, including designations released (and new designations) being transfers to (and from) the charity's central bank accounts, represent the net movement in the communities' cash and bank balances during the year.

◆ **Property repair and replacement fund**

The property repair and replacement fund represents an amount designated by the trustees to finance potential future expenditure on purchasing and modifying properties to accommodate older and frail sisters.

◆ **Retirement fund**

A fund had been designated in respect to the charity's commitment to provide for the care of the members of the Institute in old age and sickness. The trustees have set aside assets equal to £3,200,000 for this purpose. This figure is re-assessed at the end of each year and adjusted if necessary.

◆ **Financing and Congregational fund**

This fund has been established to finance grants and donations including contributions to the Congregation's work overseas.

18 Analysis of net assets between funds

The fund balances at 31 December were represented by the following assets and liabilities:

	Designated funds £	Tangible fixed assets fund £	General funds £	2020 Total £
Balances at 31 December 2020 are represented by:				
Tangible fixed assets	—	838,165	—	838,165
Investments	4,371,341	—	287,186	4,658,527
Net current assets	91,846	—	308,279	400,125
	4,463,187	838,165	595,465	5,896,817

18 Analysis of net assets between funds (continued)

	Designated funds £	Tangible fixed assets fund £	General funds £	2019 Total £
Balances at 31 December 2019 are represented by:				
Tangible fixed assets	—	680,540	—	680,540
Investments	4,200,000	—	369,697	4,569,697
Net current assets	78,610	—	411,424	490,034
	<u>4,278,610</u>	<u>680,540</u>	<u>781,121</u>	<u>5,740,271</u>

The total unrealised gains as at 31 December 2020 constitute movements on revaluations of investments and are as follows:

	2020 £	2020 £
Total unrealised gains at 31 December 2020	805,585	679,183
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 January 2020	679,183	—
Transfer from The Sisters of Providence of Ruillé-sur-Loir Charitable Trust	—	340,030
In respect to disposals in year	(43,625)	(159,688)
Net gains arising on revaluation in the year	<u>170,027</u>	<u>498,841</u>
Unrealised gains at 31 December 2020	805,585	679,183

19 Ultimate control and liability of members

The trustees for the time being shall automatically be the members of the CIO. The members are responsible for the appointment of new trustees.

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

20 Related party transactions

Sister Gillian Murphy, a trustee of the Charitable Incorporated Organisation, serves as the Assistant General to the Generalate of the Institute in France. There were no donations during the year from the charity to the Generalate (2019: £125,000).

Donations by the trustees to the charity are disclosed in note 9 to these accounts.

There are no other related party transactions requiring disclosure in these accounts (2019: none).

21 Transfer of activities, assets and liabilities

The Trustees of the CIO are also the trustees of The Sisters of Providence of Ruillé-sur-Loir, Charity Registration No. 232363. The Sisters of Providence of Ruillé-sur-Loir CIO was registered as a charity on 9 February 2018.

21 Transfer of activities, assets and liabilities (continued)

The activities, assets and liabilities of the charitable trust were transferred to the Charitable Incorporated Organisation by deed of transfer with effect from midnight on 31 December 2018.

The net assets transferred at midnight on 31 December 2018 comprise:

	£
Tangible fixed assets	
.Cost	900,097
.Depreciation	(209,352)
	<u>690,745</u>
Fixed asset investments	3,995,450
Cash held by investment manager	29,050
Debtors	1,753
Short term deposits	168,898
Cash at bank	361,545
Creditors amounts falling due within one year	(41,485)
	<u>5,205,956</u>

The net assets transferred at midnight on 31 December 2018 were represented by the following funds:

	£
Unrestricted funds	
. Tangible fixed assets fund	690,745
. Designated funds	4,252,065
. General funds	263,146
	<u>5,205,956</u>