

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

Annual Report and Accounts

31 December 2021

Charity Registration Number
1177083

Contents

Reports

Reference and administrative information	1
Trustees' report	2
Independent auditor's report	16

Accounts

Statement of financial activities	21
Balance sheet	22
Statement of cash flows	23
Principal accounting policies	24
Notes to the accounts	29

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Charity registration number	1177083
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Principal bankers	Lloyds Bank plc 202 High Street Lincoln LN5 7AP
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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

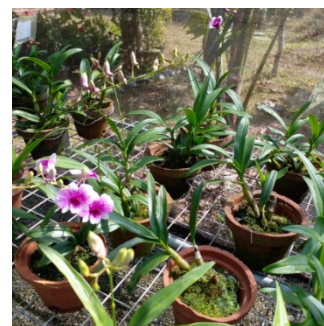
Here is the report from the Sister who is responsible for the sponsorship of poorer students in Sri Lanka.



“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
	4,278,610	443,470	(258,893)	4,463,187

◆ 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
	4,465,068	811,795	1,043,218	6,320,081

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).