

SISTERS OF CHRISTIAN EDUCATION CIO

England & Wales · Charity number 1177158

Details

Other names INSTITUTE OF CHRISTIAN EDUCATION CIO

Status Registered

Legal form CIO

Registered 2018-02-14

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

Contact

Address 2 Woodland Crescent
Farnborough
GU14 8BF

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Activities

Objects: THE OBJECTS OF THE CIO ARE: (1) THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION THROUGH THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE INSTITUTE; AND(2) AIDING OR PROMOTING THE ADVANCEMENT OF THE EDUCATION OF CHILDREN IN ACCORDANCE WITH THE PRINCIPLES AND DOCTRINES OF THE ROMAN CATHOLIC RELIGION IN PARTICULAR BY, BUT NOT LIMITED TO, THE SUPPORT OF SCHOOLS AND OTHER EDUCATIONAL ESTABLISHMENTS THAT ARE CONDUCTED IN ACCORDANCE WITH THE PRINCIPLES AND SUBJECT TO THE REGULATIONS AND DISCIPLINE OF THE ROMAN CATHOLIC CHURCH;AS THE TRUSTEES WITH THE APPROVAL OF THE PROVINCIAL SUPERIOR SHALL FROM TIME TO TIME THINK FIT.

Activities: Advancement of the Roman Catholic religion through the religious and other charitable work of the Institute, and aiding or promoting the advancement of the education of children in accordance with the principles and doctrines of the Roman Catholic religion

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£292,222	£1,003,049	-	-
2024-07-31	£312,440	£513,603	-	-
2023-07-31	£297,009	£695,897	-	-
2022-07-31	£276,866	£570,963	-	-
2021-07-31	£294,606	£556,162	-	-

Trustees

Name	Role	Appointed
SISTER ELIZABETH MCCORMACK	Chair	2018-01-10
ANTHONY JOHN WOOLSTON CDIPAF		2018-05-01
SISTER CARA NAGLE		2018-01-10
SISTER ROSEMARY O'LOONEY		2018-01-10

Accounts

**Sisters of Christian
Education CIO**

Annual Report and Accounts

31 July 2025

Charity Registration Number 1177158

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Reference and administrative information 31 July 2025

Trustees	Sister Elizabeth McCormack RCE Sister Cara Nagle RCE Sister Rosemary O'Looney RCE Cdr Anthony John Woolston (CDipAF)
Congregational Leader	Sister Cara Nagle RCE
Delegate Bursar	Sister Elizabeth McCormack RCE
Principal address	2 Woodland Crescent Farnborough Hampshire GU14 8BF
Charity registration number	1177158
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	NatWest Business Banking, PO Box 16204, Birmingham, B2 2WP
Financial and Investment Consultants	Christian Brothers Services 220 White Plains Road, Floor 6, Tarrytown, NY 10591 USA
Investment managers	Charles Stanley & Co Limited 25 Luke Street London EC2A 4AR Rathbones Group Plc Gresham Street London EC2V 7QN

Reference and administrative information 31 July 2025

Solicitors Stone King LLP
Upper Borough Court
Upper Borough Walls
Bath
BA1 1RG

Property consultants Savills plc
244-246 High Street
Guildford
GU1 3JF

Trustees' report 31 July 2025

The trustees present their report together with the accounts of the Sisters of Christian Education CIO (the “charity” or the “CIO”) for the year to 31 July 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 to 30 and comply with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

The Sisters of Christian Educational CIO is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission (Charity Registration Number 1177158) and governed by a constitution dated 14 February 2018.

Principal activities, objectives and aims

The Institute of Christian Education (the Institute) is a Roman Catholic Religious Institute founded in Échauffour, Normandy in 1817. The Institute is international, operating in England, Ireland, France and America. The Generalate is based in Dublin, Ireland (The Institute is governed by its own constitution).

The assets of the Institute in United Kingdom were, until 31 July 2019, held by the unincorporated charity Educating Children in The Roman Catholic Faith Administered in Connection with the Institute of Christian Education and Other Roman Catholic Purposes, commonly known as the Institute of Christian Education Charitable Trust (Charity Registration Number 244663) (the “charitable trust”).

The CIO was set up to continue the religious and certain educational work of the charitable trust. With effect from 1 August 2019 certain assets, liabilities and activities of the unincorporated charity were transferred to the CIO.

The objects of the CIO are the advancement of the Roman Catholic religion through the religious and other charitable work of the Institute, and aiding or promoting the advancement of the education of children in accordance with the principles and doctrines of the Roman Catholic religion, in particular by, but not limited to, the support of schools and other educational establishments that are conducted in accordance with the principles and subject to the regulations and discipline of the Roman Catholic Church, as the trustees with the approval of the Congregational Leader shall from time to time think fit.

Mission

By caring for individual members of the Institute throughout their lives with 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 wide variety of religious and other charitable works.

The religious and charitable works of the Institute can be divided into the following principal areas: education, worship and prayer, social and pastoral work and the support of overseas missionary work.

The trustees of the charity aim to support all charitable, social and pastoral works being carried out by members of the Institute. Today many of these ministries are carried out through donations made by the CIO.

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit in reviewing the charity's aims, objectives and future plans. Details of how the charity fulfils this responsibility are given above and, in the activities, and objectives section below.

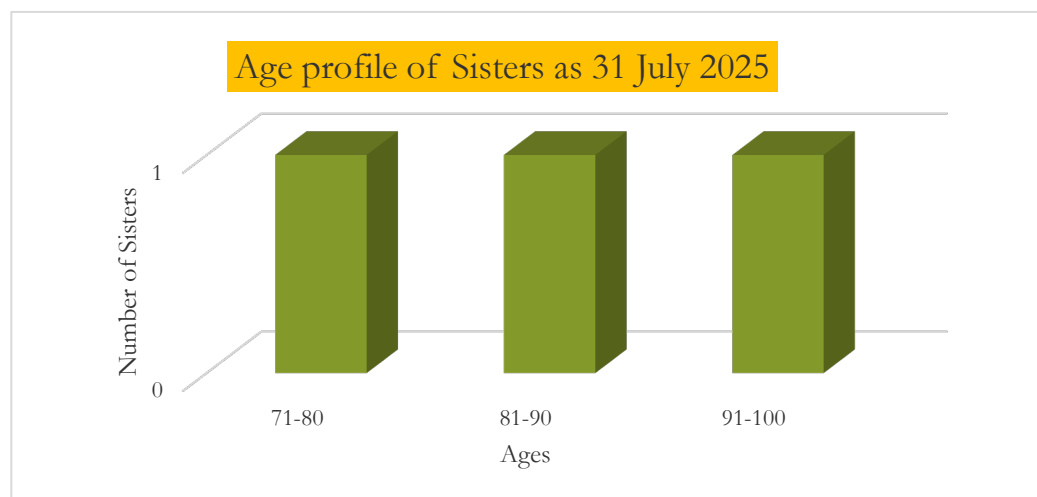
Activities and objectives

An overview of activities

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 the financial support given to a wide variety of religious and other charitable works.

1. *Caring for members of the Institute*

In common with many religious institutes in the United Kingdom, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations becomes minimal.



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 a significant part of their lives to the education of the young, the care of the elderly, poor and marginalised in society. As the age profile of the Institute increases, so too does the need to provide increasing and increasingly expensive care to the sisters. At present two of the members of the Institute are receiving care in nursing homes. The trustees are giving careful consideration to the impact of this on the work of individual members of the Institute, the property requirements of the Institute and the financial implications. In this regard, the objectives of the trustees of the charity over the current year are summarised below. All of these objectives will continue to be applicable for the next few years also.

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect.
- ◆ For some years the trustees have been engaged in negotiations to sell two properties that are no longer required by the community. Sale is conditional on planning permission being granted to the buyers by the local borough planning committee. At the end of July 2025 planning permission was granted. Now it is hoped that the sale will go through in Spring 2026.
- ◆ Enabling the members of the Institute to continue with their individual ministries for as long as possible.

2. Enabling and supporting members in a variety of religious and charitable works

The religious and charitable works of the Institute can be divided into the following principal areas: education, worship and prayer, social and pastoral work and the support of overseas missionary work. Most of this work is now carried on through financial support for projects that are in line with the objects of the charity. The areas supported include:

- ◆ Education
- ◆ Programmes to help recovery from addiction and homeless
- ◆ Programmes for the rehabilitation of refugees and those affected by human trafficking
- ◆ Overseas development programmes
- ◆ Skills development and art/music therapy sessions for people with disabilities.
- ◆ The training of young men and women to become, missionaries, priests and sisters
- ◆ Youth ministry

Education

The charity has continued to support the education of young sisters and brothers as well as other students.

To celebrate our bicentenary in 2017 the charity joined the Friends and Benefactors of the Centre for Catholic Studies at Durham University by funding scholarships. Students who would not otherwise be able to afford doctoral and postgraduate studies in theology and philosophy benefitted as a result. The money donated is used for tuition and maintenance fees. In this financial year one student was awarded her PhD and was also awarded a John Templeton Fellowship at Birmingham University and is now a research associate there at the Institute for the impact of Faith in Life.

Three other students are being financially supported in their doctoral studies on topics in Natural Law: Perspective from Thomism, Chinese Culture, and Law; the Spirituality of Encountering Catastrophic Reality, an exploration of where we may find spiritual resources to sustain people in times of crisis. The third person is looking at the influence of Henri de Lubac, a French Jesuit theologian whose theology contributed greatly to the Second Vatican Council and has been foundational in the teaching of our recent Popes.

Sister Kathy, Grace and the Compassion Sisters wrote in respect to a donation made by the charity: "Your continuing support and contribution towards the formation needs of our Congregation is absolutely invaluable and goes a long way toward easing many of my worries in this regard. Most of our young Sisters are in Africa – we currently have more than 30 young women there at different stages in formation and training. During my recent visit I was able to meet and encourage them – and see at first hand the challenges and difficulties they face."

Dom Cuthbert, Abbot of Farnborough Abbey, sent the following: "Please accept our heartfelt thanks for your kind donation to St Michael's Abbey of £30,000 this year. This is a tremendous help, particularly in the support and formation of the monks of our young community."

The Headmistress of Farnborough Hill School responded as follows:

"Thank you so much for the additional donations this year. ...Every penny of this money will support the aims of the school and enable those who are less well-off to participate fully in the life of Farnborough Hill."

"Thank you so much for your generous donation for the Chaplaincy Assistant, which we think is going to be a splendid injection of energy for the school; and it can be such a blessing for a school: we have high aspirations."

Youth Ministry

In Support of Youth Ministry, the parish priest, Fr Anthony, SDB, "I write with heartfelt gratitude to that the Sisters of Christian Education CIO for their extraordinary generous donation of £15,000, we have been truly blessed to have your congregation at part of the very fabric of Our Lady & St Dominic's from the earliest days offering hospitality to priests, serving on the parish council, ministering at the altar and supporting us both spiritually and financially. Your presence and witness have helped shape the welcoming and inclusive spirit that continues to define our parish. Your gift enables us to look forward with renewed hope, £10,000 will be dedicated to Youth Development, a cornerstone of our pastoral vision for the Jubilee Year and beyond. We are committed to nurturing the faith, leadership, and joy of our young people, and your support will make a lasting impact. The remaining £5,000 will be used for Media Upgrading in the Church, allowing us to embrace new technologies for Evangelisation and Catechesis. "

Parity (People with Multiple Disabilities) writes "We are delighted that the Trustees recognise the challenging economic climate and the pressure it is indeed putting on our running costs. Your continuing support makes a huge difference in helping us keep Parity's services going for people with multiple disabilities, for whom the activities and social opportunities at Parity help ensure a good quality of life."

CAFOD wrote to say "Your donation will help thousands of vulnerable and displaced people and children, through immediate relief, alongside critical resilience and education focused work, including securing children's safe access to school and the lifeline of education".

MISSO: The national director, Fr Tony wrote to say " I am writing to acknowledge receipt of £5,000 towards the training of tomorrow's generation of Priests and Sisters, through the Society of St Peter the Apostle which is an important part of Missio's work."

Finally, the Jesuit Refugee Service (JRS) wrote to say that "you will have seen from our recent report the range of services made possible by this wonderful partnership between the sisters and JRS UK. Your support is truly life -changing for our refugee friends who, have already been forced to flee their homes, are pushed to the margins of society and often left with nowhere else to turn."

Worship and prayer

Members of the Institute are given the opportunity for private worship and public worship and to continue to develop their knowledge and trust in Jesus Christ and the Church through quiet prayer, study of the Gospel and spiritual development. Members of the Institute celebrate and pray with the wider community including people of all faiths and none. Support is given to the Farnborough Hill School community by regular attendance at school Liturgical celebrations.

The following is an extract from the Sisters' Constitution on the section on Prayer:

'Prayer is an expression of our central relationship with God and with others. Each one is responsible for the nourishment of her faith through meditating the Scriptures, studying the teachings of the Church and spiritual reading.

Ecumenical exchanges invite us to widen our prayer and reflection.'

Social and pastoral work

The Institute is involved in some forms of social or pastoral work in Farnborough, as follows:

- ◆ Support in the local parish
- ◆ Visiting some elderly, some housebound, the bereaved and those who need encouragement and support.
- ◆ Pastoral care/visiting hospitals and nursing homes.

Volunteer

One member is involved in administering the work of the Institute and charity – without this contribution the charity would not be able to function as effectively or fully as it does.

Details of the areas in which one member gives some of her time are shown in the table below.

Area
General Parish support
Nursing Home and Hospital visiting
Working with other groups/ organisations
Administration

There was a total of three sisters in England during the year 2024/25, two being resident in nursing homes.

Financial review

Results for the year

A summary of the charity's results for the year can be found on page 23 of this report and accounts.

During the year to 31 July 2025, income amounted to £292,222 (2024 – £312,440). Of the income, a total of £100,684 (2024 – £101,543) was received by way of donations representing pensions of the sisters covenanted to the charity. Investment income and interest receivable totalled £186,138 (2024 – £210,897).

Expenditure for the charity totalled £1,003,049 (2024 – £513,603). Expenditure incurred on supporting the members of the Institute and their pastoral work and ministry amounted to £285,554 (2024 – £295,991). Grants and donations amounted to £675,353 (2024 – £174,999). Further details of grants and donations are provided in note 4 to the accounts. Expenditure on investment management fees was £42,142 (2024 – £42,613).

Net expenditure of the charity before investment gains was £710,827 (2024 – £201,163). Investment gains for the year amounted to £26,012 (2024 – gains of £384,768), resulting in net expenditure and a net decrease in funds of £684,815 (2024 – net income and a net increase in funds of £183,605).

Investment performance

The investment managers continue to be guided by the trustees' investment policy and comply with the ethical guidelines given to them.

Due to current macroeconomic and geopolitical climate the value of the portfolio increased during the year, the overall performance was consistent with that of markets generally Total investment income from listed investments was £185,373 (2024 – £210,576).

The trustees continue to take a long-term view and believe their investment policy continues to be applied and remains appropriate.

Reserves policy and financial position

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to generate enough income to cover approximately one year's on-going expenditure (excluding donations) and to provide for contingencies, unevenness in future income and volatility in the value of investments. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the current macroeconomic and geopolitical climate.

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive given the inherent volatility on world stock markets at the current time and given the discernment process being undertaken in respect to future property needs.

The charity's balance sheet shows that at 31 July 2025 funds totalled £6,656,623 (2024 – £7,281,438). Of this £278,769 (2024 – £281,002) is represented by tangible fixed assets used to support the work of the sisters and, therefore, cannot be easily realised if needed to meet future contingencies.

A further £1,570,000 (2024 – £1,650,000) represents a retirement reserve designated to provide an income to maintain the sisters as they grow older. A further £4,219,000 (2024: £4,639,000) has been designated as an Education Fund. Further details of designated funds are given in note 15 to the accounts.

Therefore, reserves which are available to support the sisters and their work in the future are shown on the balance sheet as general funds and amount to £528,854 (2024 – £ 711,436). This figure needs to be considered in the light of annual expenditure (excluding donations) of approximately £330,000, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Institute, both in this country and overseas.

The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. There is a real need to retain monies to enable the long-term financial stability of the charity. The trustees consider that the level of free reserves together with the designations made is appropriate and will enable them to pursue successfully their charitable objectives.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of their objects. The charity enjoys tax exemption on income and gains provided these are applied for its charitable aims. The charity is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Institute. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works. The nature of activities means that the charity is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Fixed assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Future plans and post balance sheet events

The trustees plan that the work of the charity will continue without any significant change in the short term.

It is the intention of the trustees of the charity to continue to respond to the needs of the times and fulfil public benefit. To meet the objectives of caring for members of the Institute and to support the charitable work of the sisters for the foreseeable future, mostly through charitable donations.

Therefore, the objectives of the trustees of the charity include:

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling the members of the Institute to continue with their individual ministries, as far as they are able, given their limitations of age and health; and

For some years the trustees have been engaged in discussions to sell two properties that are no longer required by the community. Sale is conditional on planning permission being granted to the buyers by the local borough planning committee. At the end of July planning permission was granted and now it is hoped that the sale will go through in Spring 2026.

Continuing to access the needs of the sisters and the mission of the CIO, this year the trustees decided to sell a small unused strip of land in Yateley, Surrey. The previous ICE Trust (now the Sisters of Christian Education CIO) had a property in Yateley. In the 1980s/1990s parts of it were sold at different times. At that time the trustees were advised to retain a tiny strip of land. All through the years it was never put into use. Savills were tasked with selling it. In July 2025 it was sold at auction, the sale was not completed because the buyer was not happy that the land was listed in a level 2/3 flood zone. It was sold in a second auction in October, and the sale was completed in November 2025.

Governance, structure and management, and relevant policies

Governance

In terms of Canon Law, the Institute of Christian Education is governed by its own constitution, under the direction of the Institute Leader who is based at the central office in Ireland and the General Council, members of which are based in England and France. The Leadership Team is elected every five years at a General Chapter, i.e., a meeting of elected delegates representing all the sisters worldwide. The Province of England and Ireland was suppressed at a General Chapter in June 2022. The General Council appointed a delegate for England and a delegate bursar given her understanding, experience and knowledge of the needs of England. The Institute Leader and her Council regularly visit the sisters in England.

Trustees' report 31 July 2025

The charity is a Charitable Incorporated Organisation (CIO), governed by a constitution and registered with the Charity Commission on 14 February 2018.

The Institute Leader for the time being is automatically, by virtue of holding that office, ex-officio the sole member of the charity for as long as she holds office. If the charity is wound up, the member of the charity has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

The names of the current trustees are given on page 1 of this document. At any time, there must be a minimum of three trustees. The Institute Leader for the time being is automatically, ex-officio, a trustee for as long as she holds that office. All other trustees are appointed by a resolution in writing by the Institute Leader. Trustees are appointed for a term of three years.

In selecting individuals for appointment, the Institute Leader will have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Three of the current trustees have been vowed members of the Institute for over 40 years. All of them have served the Institute in various capacities in education (secondary and adult, special needs, catechetics and family support); legal affairs; social care; and assisting homeless people, refugees and asylum seekers. These trustees have been in senior administrative roles in the Institute. They are fully aware of everything pertaining to the charity and are responsible for organising personal development opportunities, assemblies and meetings where all the important decisions for the charity are made.

The fourth trustee, a lay person, has been associated with the sisters for several years and has provided professional support to the community in the past.

On being appointed, new trustees undergo induction and training in the roles and responsibilities of their office. Every year some trustees attend training courses necessary to keep themselves updated with new legislation governing trustees. During the year, the following sessions were attended:

- ◆ Trustee training and webinars with selected investment managers;
- ◆ Most trustees attended the audit clearance meeting at Buzzacott Audit LLP, which included an input on trustee responsibilities;
- ◆ Retreats;
- ◆ Catholic Charity Conference;
- ◆ Meeting of Religious Orders Involved in Education;
- ◆ Safeguarding training, including RLSS sessions;
- ◆ Association of Irish Provincial Bursars Conference and AGM;
- ◆ Conferences of Religious meetings and AGMs of COREW & AMRI;
- ◆ Stone King webinars on Essential Trustee Training;
- ◆ Meetings and Discussions with investment advisers;

Trustees' report 31 July 2025

The trustees try to ensure that important information is shared not just among trustees but throughout the charity.

Three of the current trustees are members of the Institute and as such their living and personal costs during the year were borne by the charity. These trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel. In this financial year the lay trustee received no reimbursement of costs incurred in the course of his duties as a trustee.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office at the date on which this report was approved are given below.

◆ *Sister Elizabeth McCormack*

Sister Elizabeth McCormack became a member of the Congregation in 1964. Having completed training as a teacher at Southampton University, she became a member of the community and teaching staff in Farnborough Hill (an independent Roman Catholic day school for girls age 11 – 18 years). She taught History and Religious Studies for eighteen years and held the position as Head of the school from 1988-1996. Following this, she retrained in Pastoral Counselling at Loyola University, Chicago. On her return to England she was appointed manager of Kairos Community Trust, Peckham. She served in this role for twelve years working with the homeless and those suffering from addictions. She has maintained strong links with Farnborough Hill and has served as a Governor and Chair of Governors for several years. All these past experiences of training, leadership and management are invaluable in her current role as a trustee of the charity and as a member of the General Leadership Team. At the General Chapter of 2022 she was re-elected a member of the General Council and was appointed delegate and delegate bursar for England.

◆ *Sister Cara Nagle*

Sister Cara Nagle became a member of the Institute in 1976 having completed studies as a civil lawyer in University College, Cork. She subsequently trained as a teacher of English and Religious Studies. She taught for nine years in Our Lady's School, Dublin, for secondary students. She served as Provincial of the Anglo-Irish Province from 1990 to 1998. Following this, she re-trained in Pastoral Ministry and worked as a hospital chaplain. She was elected Congregational Leader in 2003 serving ten years in this role. These past experiences provide a significant background to her current roles as Provincial Bursar for the Anglo-Irish Province and as a trustee of the charity. She served eight years as Provincial Bursar. At the General Chapter of 2022 she was re-elected as Congregational Leader.

Trustees' report 31 July 2025

◆ Sister Rosemary O'Looney

Sister Rosemary O'Looney became a member of the Institute in 1966. She completed Teacher Training in 1971 at Roehampton University, London. She taught in Dublin from 1971-1974 and was acting Head of a School from 1973-1974. In 1974 she was appointed Head of a Boarding School for girls in Co. Wicklow, Ireland, and held this position until the school closed in 2005. She has held various roles of Leadership and was Provincial of the Anglo-Irish Province until it was suppressed at the General Chapter of June 2022. Sister Rosemary O'Looney ceased her mandate as Provincial in October 2022 when she was appointed delegate for Ireland. She was appointed and accepted to be Trustee at this time as she was no longer ex officio. All of this experience is enormously beneficial to her current role as a trustee of the charity.

◆ Cdr Anthony Woolston

Anthony Woolston retired as a Commander, Royal Navy in 2000 after 32 years' service, having attained an ACCA Certified Diploma in Accountancy and Finance (CDipAF) the year before. He successfully applied for the post of School Bursar at Farnborough Hill and was appointed in December 2000. He served in that position for 14 years before retiring for a second time. During the period that the charitable trust was engaged in a project with a view to develop a retirement facility, he acted as Company Secretary and a Director of the charity's subsidiary company. He accepted the offer to become a Trustee of the charity on 26 May 2018.

Key management personnel

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

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They have met regularly to review developments with regard to the charity or its activities and make any important decisions. They have been assisted in their tasks by professional advisers who have provided advice and support in areas of property, investments, accounting and legal matters. There is a lay person who has been responsible for finance and secretarial matters. The lay secretary possesses no executive authority.

At least three trustee meetings are normally held in a year. All trustees endeavour to meet annually with the auditor and investment managers.

Trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the 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 income and expenditure of the charity for that period.

Trustees' report 31 July 2025

In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Risk management

The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

Four designated areas have been identified and delegated to various trustees. These areas are: governance and strategic risk; environmental; operational; and financial. The trustees work to develop and to put in place a policy which understands the risks the charity faces and that seeks to learn to adapt to meet new challenges.

The trustees are satisfied that systems are in place to mitigate any exposure to the major risks.

The main long-term risk facing the charity is that it may not be able to meet all of the costs of caring for sick and/or elderly sisters. This, in general, is not a risk that can be avoided. Prudent management of funds will be exercised, and properties should provide a potential source of funding should activities contract in the short-term. This risk becomes more acute as the sisters become more dependent. The trustees review the finances and personnel regularly and have concluded that a level of funding of £1,570,000 to care for elderly sisters set aside as a designated fund is appropriate. This allows the trustees to plan the finances for the required care for the sisters.

As with all organisations serving in the community, the trustees recognise the necessity of ensuring the protection and safety of all those the charity serves. Therefore, a sister has been appointed to implement within the charity, the policies and procedures of the Catholic Safeguarding Standards Agency (CSSA), (an organisation set up by the Catholic Church in England and Wales to oversee the protection of children and vulnerable adults in all Catholic Institutions and organisations). A lay designated Safeguarding Lead has been contracted to be responsible for Safeguarding. She is supported by a trustee who monitors safeguarding for the Charity. Where it applies, sisters, employees and volunteers have had clearance from the Disclosure and Barring Service. Trustees and staff are updated on developments within the CSSA.

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 regularly with the investment managers and the managers' 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 trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility 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.

During each year the trustees coordinate an updated review of risk including matters of health and safety and risk assessment. This is done in conjunction with the health and safety advice from the charity's insurance brokers. The results are communicated to the sisters and staff.

Investment policy

The charity has discretionary investment management agreements with Rathbones Group Plc and Charles Stanley & Co Limited.

The trustees receive a report and valuation every three months and meet at least once a year with each of the investment managers. They ensure that each portfolio is managed in accordance with their written guidelines and with the religious and ethical principles of the charity. Acceptable investments, mostly equities, are chosen so that through the relevant companies' activities people's lives will be enhanced, natural resources will be used responsibly and all of creation will be respected.

Aware of environmental and climatic global concerns the Trustees have divested from fossil fuels and with the help of their investment managers are looking to engage more with impact investments.

The investment strategy takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Roman Catholic Church.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Institute as appropriate.

Whilst the trustees have given occasional support to United Kingdom organisations whose work is within the objects of the charity, the charity does not regard itself as grant making entity and applications for grants and donations are not invited.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The trustees take care with both the tone of communications and the accuracy of data to minimise the pressures on supporters. They apply best practice to protect supporters' data and never sell data, never swap data and ensure that communication preferences can be changed at any time. They manage their own fundraising activities and do not employ the services of professional fundraisers. They undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and so improve service. During the year, the charity received no complaints about its fundraising activities.

Working with other organisations

The charity has worked closely with a number of other charities and public bodies which work in the field of providing education and providing care to the vulnerable and those requiring support. In some instances, sisters are, or have been, employed by these organisations; whilst in other instances the relationships are more informal. In all cases, working together with other charities and public bodies has enhanced communication and understanding thus enabling services to the elderly and other people to be provided more efficiently and effectively and avoiding duplication of effort. Examples of the organisations for which members have supported and with which the charity has cooperated during the year are as follows:

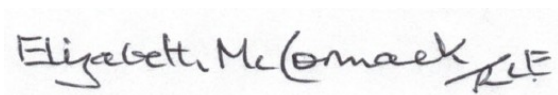
- ◆ Medaille Trust – to help equip survivors with new skills to recover from trafficking
- ◆ St Michael's Abbey – to help train young monks
- ◆ Aisling Project – to help rehabilitate homeless individuals connect with their roots and families
- ◆ The Little Way Association – training of young sisters and aid projects
- ◆ The Mumbai Salesians Society (via Salesians, Thornleigh House, Bolton) – to help educate vulnerable young people
- ◆ St Barnabas Society – to provide support and training for Anglican priests who become members of the Catholic Church
- ◆ Benedictine Sisters of Our Lady of Grace and Compassion – to help train young sisters

Trustees' report 31 July 2025

- ◆ Kairos Community Trust – to provide recovery programmes for people with addictions
- ◆ Missio – support to provide aid projects and the training of young priests
- ◆ Cafod – to help create programmes to provide education for farmers to look after their land in a way that is sustainable, supportive to become independent and live in harmony with the earth
- ◆ Parity for Disability – to help provide education and social programmes for young people with disability
- ◆ Jesuit Refugee Service – help to provide refugees and asylum seekers with programmes to help them find the support they need.
- ◆ Farnborough Hill Trust – to help provide school bursaries for students from deprived situations.
- ◆ Parish of Our Lady and St Dominic -to support Youth Ministry and catechesis
- ◆ Community of Our Lady of Walsingham – to support the community build a centre
- ◆ Sisters of the Blessed Virgin Mary – to support the sisters
- ◆ Mary Ward UK - to support on going work with human trafficking

Employees, volunteers, and members of the Institute

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



Elizabeth McCormack RCE
Trustee

Approved by the trustees on: 11 February 2026

Independent auditor's report to the trustees of the Sisters of Christian Education CIO

Opinion

We have audited the accounts of Sisters of Christian Education CIO (the 'charity') for the year ended 31 July 2025 which comprise the statement of financial activities, the balance sheet, the statements of cash flows principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 July 2025 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13 and 14, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with 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); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

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 the trustees as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and

Independent auditor's report 31 July 2025

- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; 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:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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

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

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

Independent auditor's report 31 July 2025

Use of our report

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



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

Date: 13 February 2026

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

Statement of financial activities Year to 31 July 2025

	Notes	2025 £	2024 £
Income from:			
Donations	1	100,684	101,543
Investments and interest receivable	2	186,138	210,897
Other sources			
. Miscellaneous income		5,400	—
Total income		292,222	312,440
Expenditure on:			
Raising funds			
. Investment management fees		42,142	42,613
Charitable activities			
. Support of members of the Institute and their ministry	3	285,554	295,991
. Grants and donations	4	675,353	174,999
Total expenditure		1,003,049	513,603
Net expenditure for the year before net investment gains	6	(710,827)	(201,163)
Net investment gains	10	26,012	384,768
Net (expenditure) income and net movement in funds		(684,815)	183,605
Reconciliation of funds:			
Fund balances brought forward at 1 August 2024		7,281,438	7,097,833
Fund balances carried forward at 31 July 2025		6,596,623	7,281,438

All income and expenditure of the charity for both of the above financial years related to unrestricted funds.

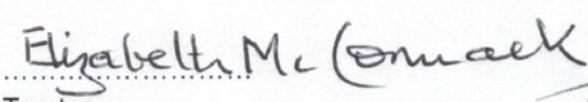
All of the charity's activities derived from continuing operations during both the above financial years.

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

Balance sheet 31 July 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	9		278,769		281,002
Investments	10		6,257,631		6,827,883
			6,536,400		7,108,885
Current assets					
Debtors	11	124,168		100,367	
Cash at bank and in hand		188,672		161,656	
		312,840		262,023	
Current liabilities					
Creditors: amounts falling due within one year	12	(132,617)		(89,470)	
Net current assets			180,223		172,553
Total assets less current liabilities			6,716,623		7,281,438
Creditors: amounts falling due after one year	13		(120,000)		—
Total net assets			6,596,623		7,281,438
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
. Tangible fixed assets fund	14		278,769		281,002
. Designated funds	15		5,789,000		6,289,000
. General funds			528,854		711,436
			6,596,623		7,281,438

Approved by the trustees and signed on their behalf by:


 Trustee

Approved on: 11 February 2026

Statement of cash flows Year to 31 July 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(746,730)	(499,067)
Cash flows from investing activities:			
Investment income and interest received		177,482	201,646
Proceeds from the disposal of investments		2,550,908	2,025,489
Purchase of investments		(2,030,246)	(1,629,549)
Net cash provided by investing activities		698,144	597,586
Change in cash and cash equivalents in the year		(48,586)	98,519
Cash and cash equivalents at 1 August 2024	B	353,378	254,859
Cash and cash equivalents at 31 July 2025	B	304,792	353,378

Notes to the statement of cash flows for the year to 31 July 2025.

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

	2025 £	2024 £
Net movement in funds (as per the statement of financial activities)	(684,815)	183,605
Adjustments for:		
Depreciation charge	2,175	2,901
Loss on the disposal of tangible fixed assets	58	—
Investment (gains)	(26,012)	(384,768)
Investment income and interest receivable	(186,138)	(210,897)
Increase in debtors	(15,145)	(13,134)
Increase (decrease) in creditors	163,147	(76,774)
Net cash used in operating activities	(746,730)	(499,067)

B Analysis of changes in cash and cash equivalents

	At 1 August 2024	Cash flows	At 31 July 2025
Cash at bank and in hand	161,656	27,016	188,672
Cash held by investment managers	191,722	(75,602)	116,120
Total cash and cash equivalents	353,378	(48,586)	304,792

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

Principal accounting policies 31 July 2025

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

Basis of preparation

These accounts have been prepared for the year to 31 July 2025 with the comparatives for the year to 31 July 2024.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ the assumptions applied in determining the size of the retirement reserve, created in order to provide for the continuing care of the members of the Institute;
- ◆ determining the assumptions adopted by the trustees in determining the value of any other designations required from the charity's general unrestricted 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.

Principal accounting policies 31 July 2025

The trustees acknowledge and recognise the impact of the current macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In terms of expenditure, it is anticipated that there may be a rise in living expenses due to rise in cost of living and the costs of nursing care of the elderly sisters. The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

With regard to the next accounting period, the year ending 31 July 2026, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment market. This is particularly relevant at the current time given the volatility on world stock markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, investment income and interest receivable 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.

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

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

Income from other sources 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.

Principal accounting policies 31 July 2025

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible.

Expenditure on raising funds comprises investment management fees incurred by the charity.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities and includes:

- ◆ Expenditure on the support of members of the Institute. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Institute.
- ◆ Grants and donations to support the Institute's own work overseas and to support other charitable organisations with objectives consistent with those of the charity 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 donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

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

All expenditure on support and governance is allocated to charitable activities of care of members of the Institute as any such costs in relation to the provision of donations and grants is considered minimal.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

- ◆ Freehold land and buildings

Freehold land and buildings are included on the balance sheet at cost.

Principal accounting policies 31 July 2025

Freehold land and buildings comprise buildings designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated at 25% per annum, based on the estimated useful life of the asset, on a reducing balance basis.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated at 25% per annum, on a reducing balance basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset 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.

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 designated certain amounts for specific purposes and have identified those non-liquid funds represented by tangible fixed assets. Details of these funds are given in notes 14 and 15 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.

Pensions

The charity contributes to a personal pension plan of an employee and contributions are charged to the statement of financial activities in the year in which they are payable to the plan.

Notes to the accounts 31 July 2025

1 Income from: Donations

	2025 £	2024 £
Pensions of individual religious received under Gift Aid or Deed of Covenant	100,684	101,543
	100,684	101,543

2 Income from: Investments and interest receivable

	2025 £	2024 £
Income from listed investments		
. UK equities	19,610	38,215
. Overseas equities	32,864	45,959
. UK fixed interest securities	57,949	73,404
. Overseas fixed interest securities	36,193	7,095
. Alternatives	38,757	45,903
	185,373	210,576
Interest receivable		
. Interest on bank	765	321
	186,138	210,897

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

	2025 £	2024 £
Staff costs (note 7)	33,017	31,187
Premises	65,121	58,308
Sisters' living and personal expenses	19,199	18,466
Support of aged sisters in nursing homes	87,194	126,894
Motor and travelling expenses	10,604	10,969
Depreciation	2,175	2,901
Loss on disposal	58	—
Education, training and spiritual renewal	6,714	4,995
Care of cemetery and funeral expenses	2,346	6,571
Medical expenses	2,242	1,195
Support costs		
. Legal and professional fees	20,731	5,298
. Other support costs	16,173	10,315
. Governance costs (note 5)	19,980	18,892
	285,554	295,991

4 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the advancement of education and other charitable causes which further the Christian faith and address social problems.

Notes to the accounts 31 July 2025

	2025 £	2024 £
Louis Lafosse Educational CIO (note 18)		
. to provide support to the educational work of the charity	185,000	65,000
Farnborough Hill Trust		
. to provide bursaries and Chaplaincy support	50,000	—
Farnborough Hill Chaplaincy		
. to provide chaplaincy support	15,000	—
Benedictine Sisters of Our Lady of Grace and Compassion		
. to provide support to novitiates	50,000	20,000
Farnborough Abbey		
. to support the education of new members	30,000	30,000
The Aisling Project		
. to support their charitable activities	15,000	10,000
Catholic Agency for Overseas Development (CAFOD)		
. to support their charitable activities	15,000	5,000
Jesuit Refugee Centre		
. to support their charitable activities	20,000	10,000
Kairos Community Trust		
. to support efforts to address homelessness and addiction	15,000	10,000
The Little Way Association		
. to support their charitable activities	10,000	5,000
Maryvale Institute		
. to help with promoting Catholic learning	3,000	2,000
Medaille Trust		
. to support their charitable activities	10,000	5,000
Parity for Disability		
. to support disabled people	3,000	2,000
Salesians of Don Bosco		
. to support their charitable activities	3,000	1,500
Missio		
. to support their charitable activities	5,000	2,000
St Barnabas Society		
. to support their charitable activities	1,000	1,000
Thames Hospice		
. to help provide nursing and medical care	3,000	2,000
Centre for Catholic Studies, Durham University		
. to provide funds to support post graduate scholarships	180,000	—
Sisters of the Blessed Virgin Mary Trust		
. to support the community of sisters	10,000	—
Community of Our Lady Walsingham		
. to support the sisters set up a new community project	5,000	—
Mary Ward Loreto UK		
. to support work against trafficking	5,000	—
St Mary's University, London		
. to support teachers take qualifications for senior leadership in schools	20,000	—
Our Lady and St Dominic Parish, Farnborough		
. to support Youth ministry	15,000	—
Other donations (all less than £1,000)	7,353	4,499
	675,353	174,999

Notes to the accounts 31 July 2025

During 2024/2025 the trustees of the Sisters of Christian Education CIO awarded a three year grant totalling £180,000 to the Centre for Catholic Studies, at Durham University. The funding is being provided to support postgraduate scholarships for three years commencing in 2025/2026. The full commitment for the three-year period is being recognised as a liability during 2024/2025 (see notes 12 and 13).

5 Expenditure on: Governance costs

	2025 £	2024 £
Legal and professional fees	19,980	18,892

6 Net (expenditure) for the year before net investment gains

This is stated after charging:

	2025 £	2024 £
Staff costs (note 7)	33,017	31,187
Auditor's remuneration (including VAT)		
. Statutory audit services		
.. Current year	16,200	15,480
.. Previous year	—	30
. Accounting services		
.. Current year	3,780	3,032
.. Previous year	—	350
. Other compliance work (taxation, payroll and other advisory services)		
.. Current year	8,638	3,944
Loss on disposal	58	—
Depreciation	2,175	2,901

7 Staff costs, key management personnel and transactions with trustees

	2025 £	2024 £
Staff costs during the year were as follows:		
Wages and salaries	32,205	30,375
Pension costs	812	812
	33,017	31,187

There were 4 part time employees during the year (3 in 2024); in January 2025 a part time archivist was appointed on a temporary basis.

Social security costs for the charity were fully covered by the annual allowance provided by the government.

All staff costs relate to the support of the members of the Institute and their ministry.

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2024 – none).

Key management personnel

The trustees consider that they comprised the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

Three of the charity's trustees, who served during the year, were members of the Institute of Christian Education 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 trustees received any remuneration in connection with their duties as a trustee during the year (2024 – none).

During the year, no expenses (2024 – £83) were reimbursed to trustees (2024 – one trustee) in relation to out of pocket travel and stationery expenses.

8 Taxation

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

9 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Furniture, plant and equipment £	Total £
Cost				
At 1 August 2024	272,300	13,800	13,005	299,105
Disposals	—	—	(13,005)	(13,005)
At 31 July 2025	<u>272,300</u>	<u>13,800</u>	<u>—</u>	<u>286,100</u>
Depreciation				
At 1 August 2024	—	5,175	12,928	18,103
Charge for the year	—	2,156	19	2,175
Disposals	—	—	(12,947)	(12,947)
At 31 July 2025	<u>—</u>	<u>7,331</u>	<u>—</u>	<u>7,331</u>
Net book values				
At 31 July 2025	<u>272,300</u>	<u>6,469</u>	<u>—</u>	<u>278,769</u>
At 31 July 2024	<u>272,300</u>	<u>8,625</u>	<u>77</u>	<u>281,002</u>

As permitted under FRS 102, the charity adopts a policy of not revaluing its tangible fixed assets.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

Post balance sheet events

Progress has been made on the sale of two properties in Farnborough with the exchange of contracts in November 2024. Planning permission was granted, in July 2025 by Rushmoor Borough Council Development Management Committee. At present, the s.106 agreement is being worked out between Rushmoor Borough Council and the buyer, who is also re-negotiating the sale price. Hopefully, a successful outcome will be achieved in Spring 2026.

10 Investments

At 31 July 2025 listed investments comprised:

	2025 £	2024 £
Listed investments		
Fair (market) value at 1 August 2024	6,636,161	6,647,333
Additions at cost	2,030,246	1,629,549
Disposals at book value (see below)	(2,597,353)	(2,010,634)
Net unrealised investment gains	72,457	369,913
Fair (market) value at 31 July 2025	6,141,511	6,636,161
Cash held by investment managers for reinvestment	116,120	191,722
	6,257,631	6,827,883
Cost of listed investments at 31 July 2025	5,070,079	5,637,185

Disposals at book value comprised of the following:

	2025 £	2024 £
Proceeds	2,550,908	2,025,489
Losses(Gains)	46,445	(14,855)
	2,597,353	2,010,634

Listed investments held at 31 July 2025 comprised the following:

	2025 £	2024 £
UK equities	775,512	895,721
Overseas equities	2,562,605	2,964,352
UK unitised funds	6,026	6,026
UK fixed interest securities	1,835,763	1,273,687
Overseas fixed interest securities	346,772	483,307
Commercial property funds	—	75,836
Alternatives	614,833	937,232
	6,141,511	6,636,161

At 31 July 2025 no individual holdings were deemed material in the context of the entire portfolio.

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

Notes to the accounts 31 July 2025

11 Debtors

	2025 £	2024 £
Investment income receivable	24,009	15,353
Prepayments in respect to disposal of freehold properties (note 9)	69,019	60,758
Other prepayments	23,136	22,394
Accrued income	8,004	1,862
	124,168	100,367

12 Creditors: amounts falling due within one year

	2025 £	2024 £
Expense creditors	4,879	179
Payments received in advance	25,000	—
Accruals	32,054	26,997
Grants payable (note 4)	60,000	50,000
Monies held on behalf of the Generalate of the Institute of Christian Education	10,684	12,294
	132,617	89,470

13 Creditors: amounts falling due after one year

	2025 £	2024 £
Grants payable (note 4)	120,000	—

14 Tangible fixed assets fund

	2025 £	2024 £
At 1 August 2024	281,002	283,903
Net movement in year	(2,233)	(2,901)
At 31 July 2025	278,769	281,002

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

15 Designated funds

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

These funds are as follows:

	Retirement fund £	Donations fund £	2025 Total £
At 1 August 2024	1,650,000	4,639,000	6,289,000
(Released) designated in the year	(80,000)	(420,000)	(500,000)
At 31 July 2025	1,570,000	4,219,000	5,789,000

Notes to the accounts 31 July 2025

	<i>Retirement fund £</i>	<i>Donations fund £</i>	<i>2024 Total £</i>
<i>At 1 August 2023</i>	<i>2,160,000</i>	<i>4,444,000</i>	<i>6,604,000</i>
<i>(Released) designated in the year</i>	<i>(510,000)</i>	<i>195,000</i>	<i>(315,000)</i>
<i>At 31 July 2024</i>	<i>1,650,000</i>	<i>4,639,000</i>	<i>6,289,000</i>

Retirement fund

The retirement fund comprises assets which the trustees have set aside in order to provide for the sisters as they grow older. The amount of the fund had been calculated using actuarial principles, whilst having regard to the resources actually available.

Donations fund

The trustees have established the donations fund to provide income to be applied towards donations, bursaries and scholarships. This fund was originally designated to provide educational donations.

16 Analysis of net assets between funds

	<i>Tangible fixed assets fund £</i>	<i>Designated funds £</i>	<i>General funds £</i>	<i>Total funds 2025 £</i>
<i>Tangible fixed assets</i>	<i>278,769</i>	<i>—</i>	<i>—</i>	<i>278,769</i>
<i>Listed investments</i>	<i>—</i>	<i>5,969,000</i>	<i>288,631</i>	<i>6,257,631</i>
<i>Net current assets</i>	<i>—</i>	<i>(60,000)</i>	<i>240,223</i>	<i>180,223</i>
<i>Creditors: amounts falling due after one year</i>	<i>—</i>	<i>(120,000)</i>	<i>—</i>	<i>(120,000)</i>
	<i>278,769</i>	<i>5,789,000</i>	<i>528,854</i>	<i>6,596,623</i>

	<i>Tangible fixed assets fund £</i>	<i>Designated funds £</i>	<i>General funds £</i>	<i>Total funds 2024 £</i>
<i>Tangible fixed assets</i>	<i>281,002</i>	<i>—</i>	<i>—</i>	<i>281,002</i>
<i>Listed investments</i>	<i>—</i>	<i>6,339,000</i>	<i>488,883</i>	<i>6,827,883</i>
<i>Net current assets</i>	<i>—</i>	<i>(50,000)</i>	<i>222,553</i>	<i>172,553</i>
	<i>281,002</i>	<i>6,289,000</i>	<i>711,436</i>	<i>7,281,438</i>

Notes to the accounts 31 July 2025

The total unrealised gains as at 31 July 2025 constitute movements on revaluation and were as follows:

	2025 £	2024 £
Unrealised gains on listed investments included above:		
Total unrealised gains at 31 July 2025	1,071,432	998,976
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 August 2024	998,976	406,103
Add (less): in respect of disposals in the year	(1)	222,960
Add (less): net gains (losses) on revaluation arising in the year	72,457	369,913
Total unrealised gains at 31 July 2025	1,071,432	998,976

17 Related party transactions

Trustees

Three of the trustees are members of the Institute and have no 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 £9,052 (2024 – £8,971).

Others

The charity shares common control with the Louis Lafosse Educational CIO (Charity Registration Number 1177782). Certain of the trustees of the charity are also trustees of the Louis Lafosse CIO and transactions between them are therefore to be deemed related party transactions.

During the year, the charity authorised a donation of £185,000 (2024 – £65,000) to the Louis Lafosse Educational CIO. At the year end, no amounts were payable to or receivable from the Louis Lafosse Educational CIO (2024 – £nil was owed to the charity by the Louis Lafosse Educational CIO).

The charity has made payments for rent of a property totalling £7,200 (2024 – £7,200) to the Farnborough Hill Trust, a charitable company, of which Sister Elizabeth McCormack, Sister Rosemary O’Looney and Sister Cara Nagle, trustees of the charity, are members.

There were no other related party transactions during the year (2024 – £nil).

18 Membership, ultimate control and liability of members

The Congregational Leader for the time being is automatically, by virtue of holding that office, is ex-officio the sole member of the charity for as long as she holds office.

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

19 Post balance sheet events

In October 2025 a strip of land was sold at auction for £60,000, with the sale being completed and proceeds received in November 2025. The land had not previously been recognised in the financial statements as no reasonable valuation was available.

SISTERS OF CHRISTIAN EDUCATION CIO

England & Wales - Charity number 1177158

Accounts

**Sisters of Christian
Education CIO**

Annual Report and Accounts

31 July 2024

Charity Registration Number 1177158

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Reference and administrative information 31 July 2024

Trustees	Sister Elizabeth McCormack RCE Sister Cara Nagle RCE Sister Rosemary O'Looney RCE Cdr Anthony John Woolston (CDipAF)
Congregational Leader	Sister Cara Nagle RCE
Delegate Bursar	Sister Elizabeth McCormack RCE
Principal address	2 Woodland Crescent Farnborough Hampshire GU14 8BF
Charity registration number	1177158
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	National Westminster Bank plc Farnborough Branch 31-37 Victoria Road Farnborough Hampshire GU14 7NR
Financial and Investment Consultants	Brenner McDonagh & Tortolani 310 George Washington Highway Suite 300 Smithfield R.I. 02917 USA
Investment managers	Charles Stanley & Co Limited 25 Luke Street London EC2A 4AR Rathbones Group Plc Gresham Street London EC2V 7QN

Reference and administrative information 31 July 2024

Solicitors Stone King LLP
Upper Borough Court
Upper Borough Walls
Bath
BA1 1RG

Property consultants Savills plc
244-246 High Street
Guildford
GU1 3JF

Trustees' report 31 July 2024

The trustees present their report together with the accounts of the Sisters of Christian Education CIO (the “charity” or the “CIO”) for the year to 31 July 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 to 30 and comply with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

The Sisters of Christian Educational CIO is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission (Charity Registration Number 1177158) and governed by a constitution dated 14 February 2018.

Principal activities, objectives and aims

The Institute of Christian Education (the Institute) is a Roman Catholic Religious Institute founded in Échauffour, Normandy in 1817. The Institute is international, operating in England, Ireland, France and America. The Generalate is based in Dublin, Ireland (The Institute is governed by its own constitution).

The assets of the Institute in United Kingdom were, until 31 July 2019, held by the unincorporated charity Educating Children in The Roman Catholic Faith Administered in Connection with the Institute of Christian Education and Other Roman Catholic Purposes, commonly known as the Institute of Christian Education Charitable Trust (Charity Registration Number 244663) (the “charitable trust”).

The CIO was set up to continue the religious and certain educational work of the charitable trust. With effect from 1 August 2019 certain assets, liabilities and activities of the unincorporated charity were transferred to the CIO.

The objects of the CIO are the advancement of the Roman Catholic religion through the religious and other charitable work of the Institute, and aiding or promoting the advancement of the education of children in accordance with the principles and doctrines of the Roman Catholic religion, in particular by, but not limited to, the support of schools and other educational establishments that are conducted in accordance with the principles and subject to the regulations and discipline of the Roman Catholic Church, as the trustees with the approval of the Congregational Leader shall from time to time think fit.

Mission

By caring for individual members of the Institute throughout their lives with 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 wide variety of religious and other charitable works.

The religious and charitable works of the Institute can be divided into the following principal areas: education, worship and prayer, social and pastoral work and the support of overseas missionary work.

Mission (continued)

The trustees of the charity aim to support all charitable, social and pastoral works being carried out by members of the Institute. Today many of these ministries are carried out through donations made by the CIO.

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit in reviewing the charity's aims, objectives and future plans. Details of how the charity fulfils this responsibility are given above and, in the activities, and objectives section below.

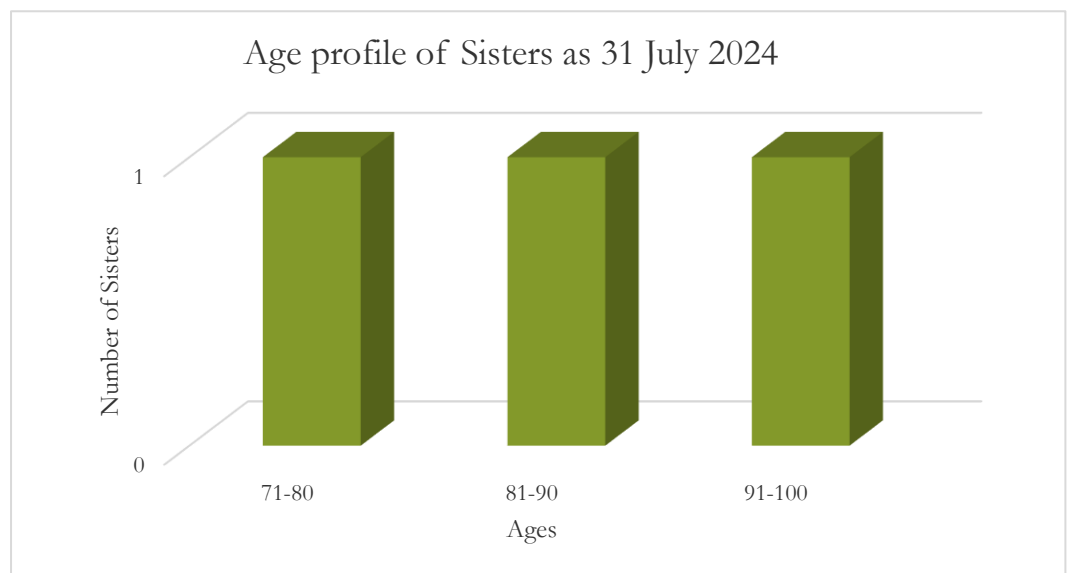
Activities and objectives

An overview of activities

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 the financial support given to a wide variety of religious and other charitable works.

1. Caring for members of the Institute

In common with many religious institutes in the United Kingdom, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations becomes minimal.



During this financial year one Sister in her 100th year died on 6th March 2024 leaving 3 sisters at the end of July 2024.

Activities and objectives (continued)

An overview of activities (continued)

1. *Caring for members of the Institute (continued)*

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 a significant part of their lives to the education of the young, the care of the elderly, poor and marginalised in society. As the age profile of the Institute increases, so too does the need to provide increasing and increasingly expensive care to the sisters. At present two of the members of the Institute are receiving care in nursing homes. The trustees are giving careful consideration to the impact of this on the work of individual members of the Institute, the property requirements of the Institute and the financial implications. In this regard, the objectives of the trustees of the charity over the current year are summarised below. All of these objectives will continue to be applicable for the next few years also.

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect.
- ◆ Reviewing the properties used as community houses and assessing their suitability as homes for the elderly and frail. The anticipated plans in this financial year did not achieve the progress expected due to problems outside the control of the CIO. It is expected that there will be a successful outcome in 2025.
- ◆ Enabling the members of the Institute to continue with their individual ministries for as long as possible.

2. *Enabling and supporting members in a variety of religious and charitable works*

The religious and charitable works of the Institute can be divided into the following principal areas: education, worship and prayer, social and pastoral work and the support of overseas missionary work. Most of this work is now carried on through financial support for projects that are in line with the objects of the charity. The areas supported include:

- ◆ Education
- ◆ Programmes to help recovery from addiction and homeless
- ◆ Programmes for the rehabilitation of refugees and those affected by human trafficking
- ◆ Overseas development programmes
- ◆ Skills development and art/music therapy sessions for people with disabilities.

Activities and objectives (continued)

An overview of activities (continued)

2. *Enabling and supporting members in a variety of religious and charitable works*
(continued)

Education

The charity has continued to support the education of young sisters and brothers as well as other students.

To celebrate our bicentenary in 2017 the charity joined the Friends and Benefactors of the Centre for Catholic Studies at Durham University by funding scholarships. Students who would not otherwise be able to afford doctoral and postgraduate studies in theology and philosophy benefitted as a result. The money donated is used for tuition and maintenance fees. In this financial year six students were receiving help with their doctoral studies and two graduated in June 2024, three are expected to finish at the end of the academic year in 2025, and one in 2027/28. All the areas of study undertaken are within a wide range of aspects of theology including a political, theological anthropology of addiction focusing on the experiences of women living with addictions. Another is studying the theology of Pope Francis and Romano Guardini. Some of the students plan to join the teaching profession and others research or service within the Catholic Church.

Another student wrote: "May I take this opportunity to thank you with all my heart for the incredible opportunity that you gave me through this scholarship. In ways I cannot fully express, I will be forever grateful for your generosity, kindness, and belief in my research and in my ability to bring it to fruition. Every moment (even the most challenging!) has been an absolute joy and will stay with me forever. With all my deepest best wishes and gratitude."

Sister Kathy, Grace and the Compassion Sisters wrote in respect to a donation made by the charity: "Your continuing support for our Sisters' training is invaluable. God's calling to Religious is answered by many young people in our missions abroad and it is a continuing challenge for us to provide for their needs. I cannot tell you how much your financial support means to us".

Dom Cuthbert, Abbot of Farnborough Abbey, sent the following: "Please accept the gratitude of St Michael's Abbey for your kind donation of £30,000 towards the Abbey. As you know, we are an exceptionally young community of monks and studies, and the practical needs of the community are expensive. We are grateful, therefore, for this assistance, which permits us to form young monks in accord with your own charism of education of the young. Thank you!"

The Head of Farnborough Hill School responded as follows "Thank you very much indeed for your generous donation towards bursary provision at Farnborough Hill. This year, perhaps more than ever, the bursary offer will support girls who would otherwise be unable to access a Farnborough Hill education and will be put to excellent use."

Activities and objectives (continued)

An overview of activities (continued)

2. Enabling and supporting members in a variety of religious and charitable works
(continued)

Education (continued)

CAFOD wrote to say "We are most grateful to you and Trustees for the ongoing support of the institute – you make possible for us to reach communities with practical, educational and humanitarian support through our Church networks, in many cases where other international agencies have had to withdraw."

Finally, the Jesuit Refugee Service (JRS) wrote to say that "this support will have a life-changing effect for our refugee friends. It will go directly towards frontline services including the provision of accommodation, food and other essentials, the delivery of specialist casework and legal advice, and outreach to people held in detention.

Worship and prayer

Members of the Institute are given the opportunity for private worship and public worship and to continue to develop their knowledge and trust in Jesus Christ and the Church through quiet prayer, study of the Gospel and spiritual development. Members of the Institute celebrate and pray with the wider community including people of all faiths and none. Support is given to the Farnborough Hill School community by regular attendance at school Liturgical celebrations.

The following is an extract from the Sisters' Constitution on the section on Prayer:

'Prayer is an expression of our central relationship with God and with others. Each one is responsible for the nourishment of her faith through meditating the Scriptures, studying the teachings of the Church and spiritual reading.

Ecumenical exchanges invite us to widen our prayer and reflection.'

Social and pastoral work

The Institute is involved in some forms of social or pastoral work in Farnborough

- ◆ Support in the local parish
- ◆ Visiting some elderly, some housebound, the bereaved and those who need encouragement and support.
- ◆ Pastoral care/visiting hospitals and nursing homes.

Volunteer

One member is involved in administering the work of the Institute and charity – without this contribution the charity would not be able to function as effectively or fully as it does.

Activities and objectives (continued)

Volunteer (continued)

Details of the areas in which one member gives some of her time are shown in the table below.

Area
Education
General Parish support
Nursing Home and Hospital visiting
Working with other groups/ organisations
Administration

There was a total of four sisters in England during most of the year, three being resident in nursing homes. One sister in her 100th year died on 6th March 2024.

Financial review

Results for the year

A summary of the charity's results for the year can be found on page 23 of this report and accounts.

During the year to 31 July 2024, income amounted to £312,440 (2023 – £297,009). Of the income, a total of £101,543 (2023 – £97,051) was received by way of donations representing pensions of the sisters covenanted to the charity. Investment income and interest receivable totalled £210,897 (2023 – £196,264).

Expenditure for the charity totalled £513,603 (2023 – £695,897). Expenditure incurred on supporting the members of the Institute and their pastoral work and ministry amounted to £295,991 (2023 – £326,908). Grants and donations amounted to £174,999 (2023 – £326,163). Further details of grants and donations are provided in note 4 to the accounts. Expenditure on investment management fees was £42,613 (2023 – £42,826).

Net expenditure of the charity before investment gains was £201,163 (2023 – £398,888). Investment gains for the year amounted to £384,768 (2023 – losses of £244,316), resulting in net income and a net increase in funds of £183,605 (2023 – net expenditure and a net decrease in funds of £643,204).

Investment performance

The investment managers continue to be guided by the trustees' investment policy and comply with the ethical guidelines given to them.

Due to current macroeconomic and geopolitical climate the value of the portfolio increased during the year, the overall performance was consistent with that of markets generally. Total investment income from listed investments was £210,576 (2023 – £195,489).

The trustees continue to take a long-term view and believe their investment policy continues to be applied and remains appropriate.

Financial review (continued)

Reserves policy and financial position

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to generate enough income to cover approximately one year's on-going expenditure (excluding donations) and to provide for contingencies, unevenness in future income and volatility in the value of investments. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the current macroeconomic and geopolitical climate.

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive given the inherent volatility on world stock markets at the current time and given the discernment process being undertaken in respect to future property needs.

The charity's balance sheet shows that at 31 July 2024 funds totalled £7,281,438 (2023 – £7,097,833). Of this £281,002 (2023 – £283,903) is represented by tangible fixed assets used to support the work of the sisters and, therefore, cannot be easily realised if needed to meet future contingencies.

A further £1.65 million (2023 – £2.16 million) represents a retirement reserve designated to provide an income to maintain the sisters as they grow older. A further £4,639,000 has been designated as an Education Fund. Further details of designated funds are given in note 15 to the accounts.

Therefore, reserves which are available to support the sisters and their work in the future are shown on the balance sheet as general funds and amount to £711,436 (2023 – £209,930). This figure needs to be considered in the light of annual expenditure (excluding donations) of approximately £340,000, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Institute, both in this country and overseas.

The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. There is a real need to retain monies to enable the long-term financial stability of the charity. Whilst the free reserves are above one year's on-going expenditure (excluding donations), the trustees consider that the level of free reserves together with the designations made is appropriate and will enable them to pursue successfully their charitable objectives.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of their objects. The charity enjoys tax exemption on income and gains provided these are applied for its charitable aims. The charity is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Institute. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works. The nature of activities means that the charity is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Financial review (continued)

Fixed assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Future plans and post balance sheet events

The trustees plan that the work of the charity will continue without any significant change in the short term.

It is the intention of the trustees of the charity to continue to respond to the needs of the times and fulfil public benefit and to meet the objectives of caring for members of the Institute and to support the charitable work of the sisters for the foreseeable future, mostly through charitable donations.

Therefore, the objectives of the trustees of the charity include:

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling the members of the Institute to continue with their individual ministries, as far as they are able, given their limitations of age and health; and
- ◆ Reviewing the properties used as community houses and assessing their suitability as homes for the elderly and frail. The anticipated plans in this financial year did not achieve the progress expected due to problems outside the control of the CIO. It is expected that there will be a successful outcome in 2025.

Governance, structure and management, and relevant policies

Governance

In terms of Canon Law, the Institute of Christian Education is governed by its own constitution, under the direction of the Institute Leader who is based at the central office in Ireland and the General Council, members of which are based in England and France. The Leadership Team is elected every five years at a General Chapter, i.e., a meeting of elected delegates representing all the sisters worldwide. The Province of England and Ireland was suppressed at a General Chapter in June 2022. The General Council appointed a delegate for England and a delegate bursar given her understanding, experience and knowledge of the needs of England. The Institute Leader and her Council regularly visit the sisters in England.

The charity is a Charitable Incorporated Organisation (CIO), governed by a constitution and registered with the Charity Commission on 14 February 2018.

The Institute Leader for the time being is automatically, by virtue of holding that office, ex-officio the sole member of the charity for as long as she holds office. If the charity is wound up, the member of the charity has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

The names of the current trustees are given on page 1 of this document. At any time, there must be a minimum of three trustees. The Institute Leader for the time being is automatically, ex-officio, a trustee for as long as she holds that office. All other trustees are appointed by a resolution in writing by the Institute Leader. Trustees are appointed for a term of three years.

In selecting individuals for appointment, the Institute Leader will have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Three of the current trustees have been vowed members of the Institute for over 40 years. All of them have served the Institute in various capacities in education (secondary and adult, special needs, catechetics and family support); legal affairs; social care; and assisting homeless people, refugees and asylum seekers. These trustees have been in senior administrative roles in the Institute. They are fully aware of everything pertaining to the charity and are responsible for organising personal development opportunities, assemblies and meetings where all the important decisions for the charity are made.

The fourth trustee, a lay person, has been associated with the sisters for several years and has provided professional support to the community in the past.

On being appointed, new trustees undergo induction and training in the roles and responsibilities of their office. Every year some trustees attend training courses necessary to keep themselves updated with new legislation governing trustees. During the year, the following sessions were attended:

- ◆ Trustee training and webinars with selected investment managers ;
- ◆ Most trustees attended the audit clearance meeting at Buzzacott LLP, which included an input on trustee responsibilities;
- ◆ Retreats;
- ◆ Catholic Charity Conference;
- ◆ Meeting of Religious Orders Involved in Education;
- ◆ Safeguarding training, including RLSS sessions;
- ◆ Training on Cyber Security and AI Association of Provincial Bursars Conference and AGM;
- ◆ Conferences of Religious meetings and AGMs of COREW & AMRI;
- ◆ Stone King webinars on & Essential Trustee Training and Topical Trustee Training on Conflicts of Interest. Meetings and Discussions with investment managers; and
- ◆ Good Governance for assuring quality of Care in Religious Orders

Governance, structure and management, and relevant policies (continued)

Governance (continued)

The trustees try to ensure that important information is shared not just among trustees but throughout the charity.

Three of the current trustees are members of the Institute and as such their living and personal costs during the year were borne by the charity. These trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel. In this financial year the lay trustee received reimbursement of costs incurred in the course of his duties as a trustee.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office at the date on which this report was approved are given below.

◆ *Sister Elizabeth McCormack*

Sister Elizabeth McCormack became a member of the Congregation in 1964. Having completed training as a teacher at Southampton University, she became a member of the community and teaching staff in Farnborough Hill (an independent Roman Catholic day school for girls age 11 – 18 years). She taught History and Religious Studies for eighteen years and held the position as Head of the school from 1988-1996. Following this, she retrained in Pastoral Counselling at Loyola University, Chicago. On her return to England she was appointed manager of Kairos Community Trust, Peckham. She served in this role for twelve years working with the homeless and those suffering from addictions. She has maintained strong links with Farnborough Hill and has served as a Governor and Chair of Governors for several years. All these past experiences of training, leadership and management are invaluable in her current role as a trustee of the charity and as a member of the General Leadership Team. At the General Chapter of 2022 she was re-elected a member of the General Council and was appointed delegate and delegate bursar for England.

◆ *Sister Cara Nagle*

Sister Cara Nagle became a member of the Institute in 1976 having completed studies as a civil lawyer in University College, Cork. She subsequently trained as a teacher of English and Religious Studies. She taught for nine years in Our Lady's School, Dublin, for secondary students. She served as Provincial of the Anglo-Irish Province from 1990 to 1998. Following this, she re-trained in Pastoral Ministry and worked as a hospital chaplain. She was elected Congregational Leader in 2003 serving ten years in this role. These past experiences provide a significant background to her current roles as Provincial Bursar for the Anglo-Irish Province and as a trustee of the charity. She served eight years as Provincial Bursar. At the General Chapter of 2022 she was re-elected as Congregational Leader.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

◆ *Sister Rosemary O'Looney*

Sister Rosemary O'Looney became a member of the Institute in 1966. She completed Teacher Training in 1971 at Roehampton University, London. She taught in Dublin from 1971-1974 and was acting Head of a School from 1973-1974. In 1974 she was appointed Head of a Boarding School for girls in Co. Wicklow, Ireland, and held this position until the school closed in 2005. She has held various roles of Leadership and was Provincial of the Anglo-Irish Province until it was suppressed at the General Chapter of June 2022. Sister Rosemary O'Looney ceased her mandate as Provincial in October 2022 when she was appointed delegate for Ireland. She was appointed and accepted to be Trustee at this time as she was no longer ex officio. All of this experience is enormously beneficial to her current role as a trustee of the charity.

◆ *Cdr Anthony Woolston*

Anthony Woolston retired as a Commander, Royal Navy in 2000 after 32 years' service, having attained an ACCA Certified Diploma in Accountancy and Finance (CDipAF) the year before. He successfully applied for the post of School Bursar at Farnborough Hill and was appointed in December 2000. He served in that position for 14 years before retiring for a second time. During the period that the charitable trust was engaged in a project with a view to develop a retirement facility, he acted as Company Secretary and a Director of the charity's subsidiary company. He accepted the offer to become a Trustee of the charity on 26 May 2018.

Key management personnel

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

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They have met regularly to review developments with regard to the charity or its activities and make any important decisions. They have been assisted in their tasks by professional advisers who have provided advice and support in areas of property, investments, accounting and legal matters. There is a lay person who has been responsible for finance and secretarial matters. The lay secretary possesses no executive authority.

At least three trustee meetings are normally held in a year. All trustees endeavour to meet annually with the auditor and investment managers.

Trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the 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 income and expenditure of the charity for that period.

Governance, structure and management, and relevant policies (continued)

Trustees' responsibilities (continued)

In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Risk management

The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

Four designated areas have been identified and delegated to various trustees. These areas are: governance and strategic risk; environmental; operational; and financial. The trustees work to develop and to put in place a policy which understands the risks the charity faces and that seeks to learn to adapt to meet new challenges.

The trustees are satisfied that systems are in place to mitigate any exposure to the major risks.

The main long-term risk facing the charity is that it may not be able to meet all of the costs of caring for sick and/or elderly sisters. This, in general, is not a risk that can be avoided. Prudent management of funds will be exercised, and properties may provide a potential source of funding should activities contract in the long term. This risk becomes more acute as the sisters become more dependent. The trustees review the finances and personnel regularly and have concluded that a level of funding of £1,650,000 to care for elderly sisters set aside as a designated fund is appropriate. This allows the trustees to plan the finances for the required care for the sisters.

Governance, structure and management, and relevant policies (continued)

Risk management (continued)

As with all organisations serving in the community, the trustees recognise the necessity of ensuring the protection and safety of all those the charity serves. Therefore, a sister has been appointed to implement within the charity, the policies and procedures of the Catholic Safeguarding Standards Agency (CSSA), (an organisation set up by the Catholic Church in England and Wales to oversee the protection of children and vulnerable adults in all Catholic Institutions and organisations). This sister regularly attends sessions to keep herself updated. Where it applies, sisters, employees and volunteers have had clearance from the Disclosure and Barring Service. Trustees and staff are updated on developments within the CSSA. As the Institute is a member of the Religious Life Safeguarding Service the sister works closely with this service.

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 regularly with the investment managers and the managers' 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 trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility 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.

During each year the trustees coordinate an updated review of risk including matters of health and safety and risk assessment. This is done in conjunction with the health and safety advice from the charity's insurance brokers. The results are communicated to the sisters and staff.

Investment policy

The charity has discretionary investment management agreements with Rathbones Group Plc and Charles Stanley & Co Limited.

The trustees receive a report and valuation every three months and meet at least once a year with each of the investment managers. They ensure that each portfolio is managed in accordance with their written guidelines and with the religious and ethical principles of the charity. Acceptable investments, mostly equities, are chosen so that through the relevant companies' activities people's lives will be enhanced, natural resources will be used responsibly and all of creation will be respected.

Aware of environmental and climatic global concerns the Trustees have divested from fossil fuels and with the help of their investment managers are looking to engage more with impact investments.

The investment strategy takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term.

Governance, structure and management, and relevant policies (continued)

Investment policy (continued)

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Roman Catholic Church.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Institute as appropriate.

Whilst the trustees have given occasional support to United Kingdom organisations whose work is within the objects of the charity, the charity does not regard itself as grant making entity and applications for grants and donations are not invited.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The trustees take care with both the tone of communications and the accuracy of data to minimise the pressures on supporters. They apply best practice to protect supporters' data and never sell data, never swap data and ensure that communication preferences can be changed at any time. They manage their own fundraising activities and do not employ the services of professional fundraisers. They undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and so improve service. During the year, the charity received no complaints about its fundraising activities.

Working with other organisations

The charity has worked closely with a number of other charities and public bodies which work in the field of providing education and providing care to the vulnerable and those requiring support. In some instances, sisters are, or have been, employed by these organisations; whilst in other instances the relationships are more informal. In all cases, working together with other charities and public bodies has enhanced communication and understanding thus enabling services to the elderly and other people to be provided more efficiently and effectively and avoiding duplication of effort. Examples of the organisations for which members have supported and with which the charity has cooperated during the year are as follows:

- ◆ Medaille Trust – to help equip survivors with new skills to recover from trafficking
- ◆ St Michael's Abbey – to help train young monks
- ◆ Aisling Project – to help rehabilitate homeless individuals connect with their roots and families
- ◆ The Little Way Association – training of young sisters and aid projects
- ◆ The Mumbai Salesians Society (via Salesians, Thornleigh House, Bolton) – to help educate vulnerable young people

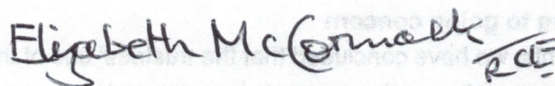
Governance, structure and management, and relevant policies (continued)

Working with other organisations (continued)

- ◆ St Barnabas Society – to provide support and training for Anglican priests who become members of the Catholic Church
- ◆ Benedictine Sisters of Our Lady of Grace and Compassion – to help train young sisters
- ◆ Kairos Community Trust – to provide recovery programmes for people with addictions
- ◆ Missio – support to provide aid projects and the training of young priests
- ◆ Cafod -- to help create programmes to provide education for farmers to look after their land in a way that is sustainable, supportive to become independent and live in harmony with the earth
- ◆ Parity for Disability – to help provide education and social programmes for young people with disability
- ◆ Jesuit Refugee Service – help to provide refugees and asylum seekers with programmes to help them find the support they need.
- ◆ Farnborough Hill Trust – to help provide school bursaries for students from deprived situations.

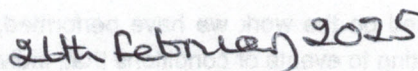
Employees, volunteers, and members of the Institute

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



Trustee

Approved by the trustees on:



Independent auditor's report to the trustees of the Sisters of Christian Education CIO

Opinion

We have audited the accounts of the Sisters of Christian Education CIO (the charity) for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 July 2024 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 13 and 14, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize 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); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

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 the trustees as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and

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

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

- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; 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:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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

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

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

Independent auditor's report 31 July 2024

Use of our report

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

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is written in a cursive, flowing style.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 26 February 2025

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 July 2024

	Notes	2024 £	2023 £
Income from:			
Donations	1	101,543	97,051
Investments and interest receivable	2	210,897	196,264
Other sources			
. Surplus on disposal of tangible fixed assets		—	3,004
. Miscellaneous income		—	690
Total income		312,440	297,009
Expenditure on:			
Raising funds			
. Investment management fees		42,613	42,826
Charitable activities			
. Support of members of the Institute and their ministry	3	295,991	326,908
. Grants and donations	4	174,999	326,163
Total expenditure		513,603	695,897
Net expenditure for the year before net investment gains (losses)	6	(201,163)	(398,888)
Net investment gains (losses)	10	384,768	(244,316)
Net income (expenditure) and net movement in funds		183,605	(643,204)
Reconciliation of funds:			
Fund balances brought forward at 1 August 2023		7,097,833	7,741,037
Fund balances carried forward at 31 July 2024		7,281,438	7,097,833

All income and expenditure of the charity for both of the above financial years related to unrestricted funds.

All of the charity's activities derived from continuing operations during both the above financial years.

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

Balance sheet 31 July 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	9		281,002		283,903
Investments	10		6,827,883		6,764,803
			<u>7,108,885</u>		<u>7,048,706</u>
Current assets					
Debtors	11	100,367		77,982	
Cash at bank and in hand		<u>161,656</u>		<u>137,389</u>	
		<u>262,023</u>		<u>215,371</u>	
Current liabilities					
Creditors: amounts falling due within one year	12	(89,470)		(116,244)	
Net current assets			<u>172,553</u>		<u>99,127</u>
Total assets less current liabilities			<u>7,281,438</u>		<u>7,147,833</u>
Creditors: amounts falling due after one year	13		<u>—</u>		<u>(50,000)</u>
Total net assets			<u>7,281,438</u>		<u>7,097,833</u>
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
· Tangible fixed assets fund	14	281,002		283,903	
· Designated funds	15	6,289,000		6,604,000	
· General funds		<u>711,436</u>		<u>209,930</u>	
		<u>7,281,438</u>		<u>7,097,833</u>	

Approved by the trustees and signed on their behalf by:

Elizabeth McCormack
Trustee

Approved on: 26th February 2025

Statement of cash flows Year to 31 July 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(499,067)	(532,367)
Cash flows from investing activities:			
Investment income and interest received		201,646	204,882
Surplus on the disposal of tangible fixed assets		—	3,700
Purchase of tangible fixed assets		—	(13,800)
Proceeds from the disposal of investments		2,025,489	1,171,237
Purchase of investments		(1,629,549)	(1,331,492)
Net cash provided by investing activities		597,586	34,527
Change in cash and cash equivalents in the year		98,519	(497,840)
Cash and cash equivalents at 1 August 2023	B	254,859	752,699
Cash and cash equivalents at 31 July 2024	B	353,378	254,859

Notes to the statement of cash flows for the year to 31 July 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)	183,605	(643,204)
Adjustments for:		
Depreciation charge	2,901	2,334
Surplus on the disposal of tangible fixed assets	—	(3,004)
Investment (gains) losses	(384,768)	244,316
Investment income and interest receivable	(210,897)	(196,264)
Increase in debtors	(13,134)	(21,039)
(Decrease) increase in creditors	(76,774)	84,494
Net cash used in operating activities	(499,067)	(532,367)

B Analysis of changes in cash and cash equivalents

	At 1 August 2023	Cash flows	At 31 July 2024
Cash at bank and in hand	137,389	24,267	161,656
Cash held by investment managers	117,470	74,252	191,722
Total cash and cash equivalents	254,859	98,519	353,378

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

Principal accounting policies 31 July 2024

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

Basis of preparation

These accounts have been prepared for the year to 31 July 2024 with the comparatives for the year to 31 July 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 of the charity requires the trustees to make significant judgements and estimates.

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

- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ the assumptions applied in determining the size of the retirement reserve, created in order to provide for the continuing care of the members of the Institute;
- ◆ determining the assumptions adopted by the trustees in determining the value of any other designations required from the charity's general unrestricted 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 acknowledge and recognise the impact of the current macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Assessment of going concern (continued)

In terms of expenditure, it is anticipated that there may be a rise in living expenses due to rise in cost of living and the costs of nursing care of the elderly sisters. The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

With regard to the next accounting period, the year ending 31 July 2025, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment market. This is particularly relevant at the current time given the volatility on world stock markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, investment income and interest receivable 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.

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

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

Income from other sources 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. All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible.

Expenditure on raising funds comprises investment management fees incurred by the charity.

Expenditure recognition (continued)

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities and includes:

- ◆ Expenditure on the support of members of the Institute. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Institute.
- ◆ Grants and donations to support the Institute's own work overseas and to support other charitable organisations with objectives consistent with those of the charity 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 donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

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

All expenditure on support and governance is allocated to charitable activities of care of members of the Institute as any such costs in relation to the provision of donations and grants is considered minimal.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

- ◆ Freehold land and buildings
Freehold land and buildings are included on the balance sheet at cost.

Freehold land and buildings comprise buildings designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

Tangible fixed assets (continued)

◆ **Furniture and equipment**

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated at 25% per annum, based on the estimated useful life of the asset, on a reducing balance basis.

◆ **Motor vehicles**

Motor vehicles are capitalised and depreciated at 25% per annum, on a reducing balance basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset 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.

Principal accounting policies 31 July 2024

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 designated certain amounts for specific purposes and have identified those non-liquid funds represented by tangible fixed assets. Details of these funds are given in notes 14 and 15 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.

Pensions

The charity contributes to a personal pension plan of an employee and contributions are charged to the statement of financial activities in the year in which they are payable to the plan.

Notes to the accounts 31 July 2024

1 Income from: Donations

	2024 £	2023 £
Pensions of individual religious received under Gift Aid or Deed of Covenant	101,543	97,051

2 Income from: Investments and interest receivable

	2024 £	2023 £
Income from listed investments		
. UK equities	38,215	44,015
. Overseas equities	45,959	38,425
. UK fixed interest securities	73,404	61,598
. Overseas fixed interest securities	7,095	5,711
. Alternatives	45,903	45,740
	210,576	195,489
Interest receivable		
. Interest on bank and short-term deposits	321	233
. Interest on cash held by investment managers	—	542
	210,897	196,264

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

	2024 £	2023 £
Staff costs (note 7)	31,187	35,027
Premises	58,308	54,689
Sisters' living and personal expenses	18,466	20,377
Support of aged sisters in nursing homes	126,894	138,192
Motor and travelling expenses	10,969	9,229
Depreciation	2,901	2,334
Education, training and spiritual renewal	4,995	7,226
Translation expenses – Louis Lafosse book	—	19,645
Care of cemetery and funeral expenses	6,571	—
Medical expenses	1,195	2,289
Support costs		
. Legal and professional fees	5,298	8,157
. Other support costs	10,315	9,791
. Governance costs (note 5)	18,892	19,952
	295,991	326,908

4 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the advancement of education and other charitable causes which further the Christian faith and address social problems.

	2024 £	2023 £
Louis Lafosse Educational CIO (note 17)		
. to provide support to the educational work of the charity	65,000	65,000
Benedictine Sisters of Our Lady of Grace and Compassion		
. to provide support to novitiates	20,000	20,000
Farnborough Abbey		
. to support the education of new members	30,000	30,000
The Aisling Project		
. to support their charitable activities	10,000	10,000
Catholic Agency for Overseas Development (CAFOD)		
. to support their charitable activities	5,000	5,000
Jesuit Refugee Centre		
. to support their charitable activities	10,000	10,000
Kairos Community Trust		
. to support efforts to address homelessness and addiction	10,000	10,000
The Little Way Association		
. to support their charitable activities	5,000	5,000
Maryvale Institute		
. to help with promoting Catholic learning	2,000	2,000
Medaille Trust		
. to support their charitable activities	5,000	5,000
Parity for Disability		
. to support disabled people	2,000	2,000
Salesians of Don Bosco		
. to support their charitable activities	1,500	1,500
Missio		
. to support their charitable activities	2,000	2,000
St Barnabas Society		
. to support their charitable activities	1,000	1,000
Thames Hospice		
. to help provide nursing and medical care	2,000	2,000
Centre for Catholic Studies, Durham University		
. to provide funds to support post graduate scholarships	—	150,000
Other donations (all less than £1,000)	4,499	5,663
	174,999	326,163

During 2022/23, the trustees of the Sisters of Christian Education CIO awarded a three year grant totalling £150,000 to the Centre for Catholic Studies, part of the Department of Theology and Religion at Durham University (the Centre). The funding was provided to support postgraduate scholarships for three years commencing in 2023. The full commitment for the three year period was recognised as a liability during 2022/23 (see notes 12 and 13).

5 Expenditure on: Governance costs

	2024 £	2023 £
Legal and professional fees	18,892	19,952

6 Net income (expenditure) for the year before net investment gains (losses)

This is stated after charging:

	2024 £	2023 £
Staff costs (note 7)	31,187	35,027
Auditor's remuneration (including VAT)		
. Statutory audit services		
.. Current year	15,480	14,400
.. Previous year	30	810
. Accounting services		
.. Current year	3,032	3,800
.. Previous year	350	942
. Other compliance work (taxation, payroll and other advisory services)		
.. Current year	3,944	5,688
Depreciation	2,901	2,334

7 Staff costs, key management personnel and transactions with trustees

	2024 £	2023 £
Staff costs during the year were as follows:		
Wages and salaries	30,375	34,263
Pension costs	812	764
	31,187	35,027

There were 3 part time employees during the year (2023 – 3).

Social security costs for the charity were fully covered by the annual allowance provided by the government.

All staff costs relate to the support of the members of the Institute and their ministry.

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2023 – none).

Key management personnel

The trustees consider that they comprised the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

Three of the charity's trustees, who served during the year, were members of the Institute of Christian Education 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 trustees received any remuneration in connection with their duties as a trustee during the year (2023 – none).

7 Staff costs, key management personnel and transactions with trustees (continued)

Key management personnel (continued)

During the year, expenses of £83 (2023 – £86) were reimbursed to one trustee (2023 – one trustee) in relation to out of pocket travel and stationery expenses.

8 Taxation

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

9 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Furniture, plant and equipment £	Total £
Cost				
At 1 August 2023	272,300	13,800	13,005	299,105
At 31 July 2024	272,300	13,800	13,005	299,105
Depreciation				
At 1 August 2023	—	2,300	12,902	15,202
Charge for the year	—	2,875	26	2,901
At 31 July 2024	—	5,175	12,928	18,103
Net book values				
At 31 July 2024	272,300	8,625	77	281,002
At 31 July 2023	272,300	11,500	103	283,903

As permitted under FRS 102, the charity adopts a policy of not revaluing its tangible fixed assets.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

Post balance sheet events

Progress has been made on the sale of two properties in Farnborough with the exchange of contracts in November 2024. It is hoped that completion will be achieved within the next two years. However, this is subject to planning permission being granted, the application for which was refused at the Rushmoor Borough Council Development Management Committee meeting held during the last quarter of 2023. Planning permission is expected to be granted by the end of 2025 and, once achieved, it is expected that the gross proceeds from the sale will be approximately £2.5m.

Notes to the accounts 31 July 2024

10 Investments

At 31 July 2024 listed investments comprised:

	2024 £	2023 £
Listed investments		
Fair (market) value at 1 August 2023	6,647,333	6,731,394
Additions at cost	1,629,549	1,331,492
Disposals at book value (see below)	(2,010,634)	(1,241,960)
Net unrealised investment gains (losses)	369,913	(173,593)
Fair (market) value at 31 July 2024	6,636,161	6,647,333
Cash held by investment managers for reinvestment	191,722	117,470
	6,827,883	6,764,803
 Cost of listed investments at 31 July 2024	 5,637,185	 6,241,230

Disposals at book value comprised of the following:

	2024 £	2023 £
Proceeds	2,025,489	1,171,237
(Gains) losses	(14,855)	70,723
	2,010,634	1,241,960

Listed investments held at 31 July 2024 comprised the following:

	2024 £	2023 £
UK equities	895,721	1,423,375
Overseas equities	2,964,352	2,596,765
UK unitised funds	6,026	6,026
UK fixed interest securities	1,273,687	1,307,793
Overseas fixed interest securities	483,307	139,847
Commercial property funds	75,836	—
Alternatives	937,232	1,173,527
	6,636,161	6,647,333

At 31 July 2024 no individual holdings were deemed material in the context of the entire portfolio.

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

11 Debtors

	2024 £	2023 £
Investment income receivable	15,353	6,102
Prepayments in respect to disposal of freehold properties (note 9)	60,758	50,306
Other prepayments	22,394	16,712
Amounts due from Louis Lafosse Educational CIO (note 17)	—	3,000
Accrued income	1,862	1,862
	100,367	77,982

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Expense creditors	179	16,887
Accruals	26,997	27,063
Grants payable (note 4)	50,000	50,000
Social security costs	—	361
Monies held on behalf of the Generalate of the Institute of Christian Education	12,294	21,933
	89,470	116,244

13 Creditors: amounts falling due after one year

	2024 £	2023 £
Grants payable (note 4)	—	50,000

14 Tangible fixed assets fund

	2024 £	2023 £
At 1 August 2023	283,903	273,133
Net movement in year	(2,901)	10,770
At 31 July 2024	281,002	283,903

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

15 Designated funds

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

These funds are as follows:

	Retirement fund £	Donations fund £	2024 Total £
At 1 August 2023 and 31 July 2024	2,160,000	4,444,000	6,604,000
(Released) designated in the year	(510,000)	195,000	(315,000)
At 31 July 2024	1,650,000	4,639,000	6,289,000
	Retirement fund £	Donations fund £	2023 Total £
At 1 August 2022	2,170,000	4,830,000	7,000,000
Released in the year	(10,000)	(386,000)	(396,000)
At 31 July 2023	2,160,000	4,444,000	6,604,000

15 Designated funds (continued)

Retirement fund

The retirement fund comprises assets which the trustees have set aside in order to provide for the sisters as they grow older. The amount of the fund had been calculated using actuarial principles, whilst having regard to the resources actually available.

Donations fund

The trustees have established the donations fund to provide income to be applied towards donations, bursaries and scholarships. This fund was originally designated to provide educational donations.

16 Analysis of net assets between funds

	Tangible fixed assets fund £	Designated funds £	General funds £	Total funds 2024 £
Tangible fixed assets	281,002	—	—	281,002
Listed investments	—	6,339,000	488,883	6,827,883
Net current assets	—	(50,000)	222,553	172,553
	281,002	6,289,000	711,436	7,281,438
	<i>Tangible fixed assets fund £</i>	<i>Designated funds £</i>	<i>General funds £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	283,903	—	—	283,903
Listed investments	—	6,704,000	60,803	6,764,803
Net current assets	—	(50,000)	149,127	99,127
Creditors: amounts falling due after one year	—	(50,000)	—	(50,000)
	283,903	6,604,000	209,930	7,097,833

The total unrealised gains as at 31 July 2024 constitute movements on revaluation and were as follows:

	2024 £	2023 £
Unrealised gains on listed investments included above:		
Total unrealised gains at 31 July 2024	998,976	406,103
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 August 2023	406,103	680,583
Add (less): in respect of disposals in the year	222,960	(100,887)
Add (less): net gains (losses) on revaluation arising in the year	369,913	(173,593)
Total unrealised gains at 31 July 2024	998,976	406,103

17 Related party transactions

Trustees

Three of the trustees are members of the Institute and have no 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 £8,971 (2023 – £16,102).

Others

The charity shares common control with the Louis Lafosse Educational CIO (Charity Registration Number 1177782). Certain of the trustees of the charity are also trustees of the Louis Lafosse CIO and transactions between them are therefore to be deemed related party transactions.

During the year, the charity authorised a donation of £65,000 (2023 – £65,000) to the Louis Lafosse Educational CIO. At the year end, no amounts were payable to or receivable from the Louis Lafosse Educational CIO (2023 – £3,000 was owed to the charity by the Louis Lafosse Educational CIO) (note 11).

The charity has made payments for rent of a property totalling £7,200 (2023 – £7,200) to the Farnborough Hill Trust, a charitable company, of which Sister Elizabeth McCormack, Sister Rosemary O’Looney and Sister Cara Nagle, trustees of the charity, are members.

There were no other related party transactions during the year (2023 – £nil).

18 Membership, ultimate control and liability of members

The Congregational Leader for the time being is automatically, by virtue of holding that office, is ex-officio the sole member of the charity for as long as she holds office.

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

SISTERS OF CHRISTIAN EDUCATION CIO

England & Wales - Charity number 1177158

Accounts

**Sisters of Christian
Education CIO**

Annual Report and Accounts

31 July 2023

Charity Registration Number 1177158

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Reference and administrative information 31 July 2023

Trustees	Sister Mary Dawson RCE (resigned 20 February 2023) Sister Elizabeth McCormack RCE Sister Cara Nagle RCE Sister Rosemary O'Looney RCE Cdr Anthony John Woolston (CDipAF)
Congregational Leader	Sister Cara Nagle RCE
Delegate Bursar	Sister Elizabeth McCormack RCE
Principal address	2 Woodland Crescent Farnborough Hampshire GU14 8BF
Charity registration number	1177158
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	National Westminster Bank plc Farnborough Branch 31-37 Victoria Road Farnborough Hampshire GU14 7NR
Financial and Investment Consultants	Brenner McDonagh & Tortolani 310 George Washington Highway Suite 300 Smithfield R.I. 02917 USA
Investment managers	Charles Stanley & Co Limited 25 Luke Street London EC2A 4AR Investec Wealth & Investment Limited 2 Gresham Street London EC2 7QP

Reference and administrative information 31 July 2023

Solicitors Stone King LLP
Upper Borough Court
Upper Borough Walls
Bath
BA1 1RG

Property consultants Savills plc
244-246 High Street
Guildford
GU1 3JF

Trustees' report 31 July 2023

The trustees present their report together with the accounts of the Sisters of Christian Education CIO (the “charity” or the “CIO”) for the year to 31 July 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 to 30 and comply with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

The Sisters of Christian Educational CIO is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission (Charity Registration Number 1177158) and governed by a Constitution dated 14 February 2018.

Principal activities, objectives and aims

The Institute of Christian Education (the Institute) is a Roman Catholic Religious Institute founded in Échauffour, Normandy in 1817. The Institute is international, operating in England, Ireland, France and America. The Generalate is now based in Dublin, Ireland (previously in Paris). The Institute is governed by its own constitution.

The assets of the Institute in United Kingdom were, until 31 July 2019, held by the unincorporated charity Educating Children in The Roman Catholic Faith Administered in Connection With the Institute Of Christian Education And Other Roman Catholic Purposes, commonly known as the Institute of Christian Education Charitable Trust (Charity Registration Number 244663) (the “charitable trust”).

The CIO was set up to continue the religious and certain educational work of the charitable trust. With effect from 1 August 2019 certain assets, liabilities and activities of the unincorporated charity were transferred to the CIO.

The objects of the CIO are the advancement of the Roman Catholic religion through the religious and other charitable work of the Institute, and aiding or promoting the advancement of the education of children in accordance with the principles and doctrines of the Roman Catholic religion, in particular by, but not limited to, the support of schools and other educational establishments that are conducted in accordance with the principles and subject to the regulations and discipline of the Roman Catholic Church, as the trustees with the approval of the Congregational Leader shall from time to time think fit.

Mission

By caring for individual members of the Institute throughout their lives with 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 wide variety of religious and other charitable works.

The religious and charitable works of the Institute can be divided into the following principal areas: education, worship and prayer, social and pastoral work and the support of overseas missionary work.

Mission (continued)

The trustees of the charity aim to support all charitable, social and pastoral works being carried out by members of the Institute. These ministries carried out by the sisters all benefit members of the public.

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit in reviewing the charity's aims, objectives and future plans. Details of how the charity fulfils this responsibility are given above and in the activities and objectives section below.

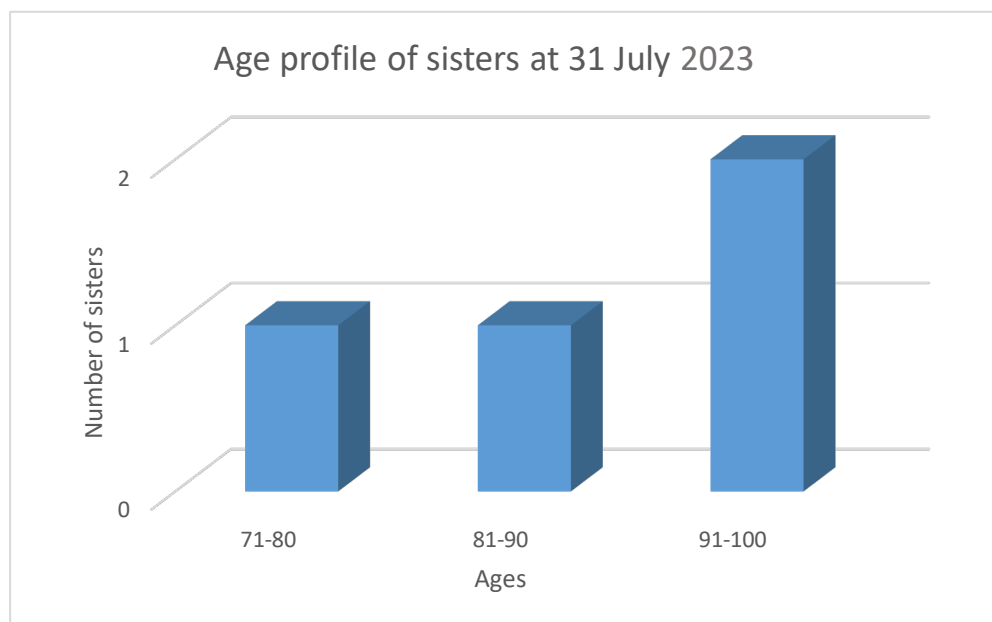
Activities and objectives

An overview of activities

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 the financial support of a wide variety of religious and other charitable works.

1. Caring for members of the Institute

In common with many religious institutes in the United Kingdom, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations becomes minimal.



Activities and objectives (continued)

An overview of activities (continued)

1. *Caring for members of the Institute* (continued)

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 a significant part of their lives to the education of the young, the care of the elderly, poor and marginalised in society. As the age profile of the Institute increases, so too does the need to provide increasing and increasingly expensive care to the sisters. At present three of the members of the Institute are receiving care in nursing homes. The trustees are giving careful consideration to the impact of this on the work of individual members of the Institute, the property requirements of the Institute and the financial implications. In this regard, the objectives of the trustees of the charity over the current year are summarised below. All of these objectives will continue to be applicable for the next few years also.

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect.
- ◆ Reviewing the properties used as community houses and assessing their suitability as homes for the elderly and frail. Progress has been made on the sale of two properties in Farnborough and it is hoped that, following the exchange of contracts in March 2023, completion (which is subject to planning permission being granted) will be achieved in 2024.
- ◆ Enabling all members of the Institute to continue with their individual ministries for as long as possible.

2. *Enabling and supporting members in a variety of religious and charitable works*

The religious and charitable works of the Institute can be divided into the following principal areas: education, worship and prayer, social and pastoral work and the support of overseas missionary work. Due to the small number of members, most of this work is now carried on through financial support for projects that are in line with the objects of the charity. The areas supported include:

- ◆ Education
- ◆ Programmes to help recovery from addiction and homeless
- ◆ Programmes for the rehabilitation of refugees and those affected by human trafficking
- ◆ Overseas development programmes
- ◆ Skills development and art/music therapy sessions for people with disabilities

Activities and objectives (continued)

An overview of activities (continued)

2. *Enabling and supporting members in a variety of religious and charitable works*
(continued)

Education

The charity has continued to support the education of young sisters and brothers as well as other students.

To celebrate our bicentenary in 2017 the charity joined the Friends and Benefactors of the Centre for Catholic Studies at Durham University by funding scholarships. Students who would not otherwise be able to afford doctoral and postgraduate studies in theology and philosophy benefitted as a result. The money donated is used for tuition and maintenance fees. One student who completed her doctoral studies in 2021, has recently had her Ph.D. thesis accepted for publication by Bloomsbury. She served as the young adult trustee for CAFOD and was the Lead Trustee for Racial Justice, Equity, Diversity and Inclusion. She is now working as a Postdoctoral Research Associate at the Lincoln Theological Institute in the University of Manchester.

Two other students following the completion of their Masters degrees joined the teaching profession, and another has taken up responsibility for Faith, Mission, Caritas and Support for the Clergy in the Diocese of Hexham and Newcastle.

Another student is working on her thesis "Toward a political theology of attention: Hearing the cry of women living with addictions in neoliberal Britain."

Another student wrote: "May I take this opportunity to thank you with all my heart for the incredible opportunity that you gave me through this scholarship. In ways I cannot fully express, I will be forever grateful for your generosity, kindness, and belief in my research and in my ability to bring it to fruition. Every moment (even the most challenging!) has been an absolute joy and will stay with me forever. With all my deepest best wishes and gratitude."

Sister Kathy, Grace and the Compassion Sisters wrote in respect to a donation made by the charity: "This is so timely and much appreciated as many sisters in East Africa are currently studying to upgrade their existing qualifications – two in nursing and four in teaching. Your gift will be well used and all the sisters join me in saying a huge Thank you, God bless"

Dom Cuthbert, Abbot of Farnborough Abbey sent the following: "Thank you very much for your kind donation to us of £30,000 this year. This is a great source of help and encouragement to us, and a way in which we continue your good work in the area of education in the formation of our young monks and their preparation towards priesthood. Our communities have a long history together in Farnborough and old bonds of friendship. Long may they continue"

Activities and objectives (continued)

An overview of activities (continued)

2. *Enabling and supporting members in a variety of religious and charitable works*
(continued)

Education (continued)

The Head of Farnborough Hill School responded as follows: "Thank you for your letter, and kind words, and for your incredibly generous donation of £50,000 to the school. As in previous years, this gift will allow girls to attend and benefit from a Farnborough Hill education who otherwise would never be able to experience what we have to offer."

The following was received from Mossie Lyons, Director of Kairos Community Trust: "Please pass on my sincerest gratitude to the Trustees. Their support is most welcome and gratefully received. All is going well at Kairos. We are full throughout all the houses. Linden grove has a waiting list of around forty. It is notable that more young people need our services, especially women"

Finally, the Salesians in India responded: "Thank you for your very generous support. It helps us to continue our mission work and our crusade of assistance to the poor and the needy youngsters."

Worship and prayer

Members of the Institute are given the opportunity for private worship and public worship and to continue to develop their knowledge and trust in Jesus Christ and the Church through quiet prayer, study of the Gospel and spiritual development. Members of the Institute celebrate and pray with the wider community including people of all faiths and none. Support is given to the Farnborough Hill School community by regular attendance at school Liturgical celebrations.

The following is an extract from the Sisters' Constitution on the section on Prayer:

'Prayer is an expression of our central relationship with God and with others. Each one is responsible for the nourishment of her faith through meditating the Scriptures, studying the teachings of the Church and spiritual reading.

Ecumenical exchanges invite us to widen our prayer and reflection.'

Social and pastoral work

The Institute is involved in some forms of social or pastoral work in Farnborough:

- ◆ Support in the local parish
- ◆ Visiting some elderly, some housebound, the bereaved and those who need encouragement and support.
- ◆ Pastoral care/visiting hospitals and nursing homes.

Activities and objectives (continued)

Volunteer

One member is involved in administering the work of the Institute and charity - without this contribution the charity would not be able to function as effectively or fully as it does.

Details of the areas in which one member gives some of her time are shown in the table below.

Area
Education
General Parish support
Hospital visiting
Housebound visiting
Working with other groups/ organisations
Administration

There were a total of four sisters in England during the year, three being resident in nursing homes.

Financial review

Results for the year

A summary of the charity's results for the year can be found on page 23 of this report and accounts.

During the year to 31 July 2023, income amounted to £297,009 (2022 - £276,866). Of the income, a total of £97,051 (2022 - £92,560) was received by way of donations representing pensions of the sisters covenanted to the charity. Investment income and interest receivable totalled £196,264 (2022 - £183,422).

Expenditure for the charity totalled £695,897 (2022 - £570,963). Expenditure incurred on supporting the members of the Institute and their pastoral work and ministry amounted to £326,908 (2022 - £284,490). Grants and donations amounted to £326,163 (2022 - £240,369). Further details of grants and donations are provided in note 4 to the accounts. Expenditure on investment management fees was £42,826 (2022 - £46,104).

Net expenditure of the charity before investment losses was £398,888 (2022 - £294,097). Investment losses for the year amounted to £244,316 (2022 - losses of £580,679), resulting in net expenditure and a net decrease in funds of £643,204 (2022 - net decrease of £874,776).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out on page 16 of this report and comply with the ethical guidelines given to them.

Due to current macroeconomic and geopolitical climate the value of the portfolio decreased during the year but the overall performance was consistent with that of markets generally. Total investment income from listed investments was £196,264 (2022 - £183,422).

The trustees continue to take a long-term view and believe their investment policy continues to be applied and remains appropriate.

Financial review (continued)

Reserves policy and financial position

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to generate enough income to cover approximately one year's on-going expenditure (excluding donations) and to provide for contingencies, unevenness in future income and volatility in the value of investments. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the current macroeconomic and geopolitical climate.

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive given the inherent volatility on world stock markets at the current time and given the discernment process being undertaken in respect to future property needs.

The charity's balance sheet shows that at 31 July 2023 funds totalled £7,097,833 (2022 - £7,741,037). Of this £283,903 (2022: £273,133) is represented by tangible fixed assets used to support the work of the sisters and, therefore, cannot be easily realised if needed to meet future contingencies.

A further £2.16 million (2022: £2.17 million) represents a retirement reserve designated to provide an income to maintain the sisters as they grow older. A further £4,444,000 has been designated as an Education Fund. Further details of designated funds are given in note 15 to the accounts.

Therefore, reserves which are available to support the sisters and their work in the future are shown on the balance sheet as general funds and amount to £209,930 (2022: £467,904). This figure needs to be considered in the light of annual expenditure (excluding donations) of approximately £340,000, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Institute, both in this country and overseas.

The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. There is a real need to retain monies to enable the long-term financial stability of the charity. Whilst the free reserves are slightly below one year's on-going expenditure (excluding donations), the trustees consider that the level of free reserves together with the designations made is adequate and will enable them to pursue successfully their charitable objectives.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of their objects. The charity enjoys tax exemption on income and gains provided these are applied for its charitable aims. The charity is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Institute. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works. The nature of activities means that the charity is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Financial review (continued)

Fixed assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Future plans and post balance sheet events

The trustees plan that the work of the charity will continue without any significant change in the short term.

It is the intention of the trustees of the charity to continue to respond to the needs of the times and fulfil public benefit and to meet the objectives of caring for members of the Institute and to support the charitable work of the sisters for the foreseeable future.

Therefore, the objectives of the trustees of the charity include:

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Institute to continue with their individual ministries, as far as they are able, given their limitations of age and health; and
- ◆ Reviewing the properties used as community houses and assessing their suitability as homes for the elderly and frail. Progress has been made on the sale of two properties in Farnborough and it is hoped that, following the exchange of contracts in March 2023, completion (which is subject to planning permission being granted) will be achieved during 2024.

Governance, structure and management, and relevant policies

Governance

In terms of Canon Law, the Institute of Christian Education is governed by its own constitution, under the direction of the Institute Leader who is based at the central office in Ireland and the General Council, members of which are based in England and France. The Leadership Team is elected every five years at a General Chapter, i.e., a meeting of elected delegates representing all the sisters worldwide. The Province of England and Ireland was suppressed at a General Chapter in June 2022. The General Council appointed a delegate for England and a delegate bursar given her understanding, experience and knowledge of the needs of England. The Institute Leader and her Council regularly visit the sisters in England.

The charity is a Charitable Incorporated Organisation (CIO), governed by a Constitution and registered with the Charity Commission on 14 February 2018.

The Institute Leader for the time being is automatically, by virtue of holding that office, ex-officio the sole member of the charity for as long as she holds office. If the charity is wound up, the member of the charity has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

The names of the current trustees are given on page 1 of this document. At any time, there must be a minimum of three trustees. The Institute Leader for the time being is automatically, ex-officio, a trustee for as long as she holds that office. All other trustees are appointed by a resolution in writing by the Institute Leader. Trustees are appointed for a term of three years.

In selecting individuals for appointment, the Institute Leader will have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Three of the current trustees have been vowed members of the Institute for over 40 years. All of them have served the Institute in various capacities in education (secondary and adult, special needs, catechetics and family support); legal affairs; social care; and assisting homeless people, refugees and asylum seekers. These trustees have been in senior administrative roles in the Institute. They are fully aware of everything pertaining to the charity and are responsible for organising personal development opportunities, assemblies and meetings where all the important decisions for the charity are made.

The fourth trustee, a lay person, has been associated with the sisters for several years and has provided professional support to the community in the past.

On being appointed, new trustees undergo induction and training in the roles and responsibilities of their office. Every year some trustees attend training courses necessary to keep themselves updated with new legislation governing trustees. During the year, the following sessions were attended:

- ◆ Trustee training and webinars with selected investment managers
- ◆ All trustees attended the audit clearance meeting at Buzzacott LLP, which included an input on trustee responsibilities
- ◆ Retreats
- ◆ Catholic Charity Conference
- ◆ Meeting of Religious Orders Involved in Education
- ◆ Safeguarding training, including RLSS sessions
- ◆ CSSA audit Workshop
- ◆ Religious Bursars' Conference
- ◆ Conferences of Religious meetings and AGMs COREW & AMRI
- ◆ Webinars on Ecology and Laudato Si
- ◆ Stone King webinars on 2022 Charities Act & Essential Trustee and Governance Practice & Developing a Mature Charity Governance
- ◆ Stone King webinar on Lasting Power of Attorney & Religious Congregations
- ◆ Meetings and Discussions with investment managers.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

The trustees try to ensure that important information is shared not just among trustees but throughout the charity.

An important meeting each year is when the trustees meet with the auditor to discuss the annual report and accounts. All the trustees attend this meeting if at all possible as well as the person responsible for meeting with investment managers. The meeting is of great benefit to the trustees and every effort is made to implement the advice and comments of the auditor.

Three of the current trustees are members of the Institute and as such their living and personal costs during the year were borne by the charity. These trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel. In this financial year the lay trustee received reimbursement of costs incurred in the course of his duties as a trustee.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office at the date on which this report was approved are given below.

◆ *Sister Elizabeth McCormack*

Sister Elizabeth McCormack became a member of the Congregation in 1964. Having completed training as a teacher at Southampton University, she became a member of the community and teaching staff in Farnborough Hill (an independent Roman Catholic day school for girls age 11 – 18 years). She taught History and Religious Studies for eighteen years and held the position as Head of the school from 1988-1996. Following this, she retrained in Pastoral Counselling at Loyola University, Chicago. On her return to England she was appointed manager of Kairos Community Trust, Peckham. She served in this role for twelve years working with the homeless and those suffering from addictions. She has maintained strong links with Farnborough Hill and has served as a Governor and Chair of Governors for several years. All these past experiences of training, leadership and management are invaluable in her current role as a trustee of the charity and as a member of the General Leadership Team. At the General Chapter of 2022 she was re-elected a member of the General Council and was appointed delegate and delegate bursar for England.

◆ *Sister Cara Nagle*

Sister Cara Nagle became a member of the Institute in 1976 having completed studies as a civil lawyer in University College, Cork. She subsequently trained as a teacher of English and Religious Studies. She taught for nine years in Our Lady's School, Dublin, for secondary students. She served as Provincial of the Anglo-Irish Province from 1990 to 1998. Following this, she re-trained in Pastoral Ministry and worked as a hospital chaplain. She was elected Congregational Leader in 2003 serving ten years in this role. These past experiences provide a significant background to her current roles as Provincial Bursar for the Anglo-Irish Province and as a trustee of the charity. She served eight years as Provincial Bursar. At the General Chapter of 2022 she was re-elected as Congregational Leader.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

◆ *Sister Rosemary O'Looney*

Sister Rosemary O'Looney became a member of the Institute in 1966. She completed Teacher Training in 1971 at Roehampton University, London. She taught in Dublin from 1971-1974 and was acting Head of a School from 1973-1974. In 1974 she was appointed Head of a Boarding School for girls in Co. Wicklow, Ireland, and held this position until the school closed in 2005. She has held various roles of Leadership and was Provincial of the Anglo-Irish Province until it was suppressed at the General Chapter of June 2022. Sister Rosemary O'Looney ceased her mandate as Provincial in October 2022 when she was appointed delegate for Ireland. She was appointed and accepted to be Trustee at this time as she was no longer ex officio. All of this experience is enormously beneficial to her current role as a trustee of the charity.

◆ *Cdr Anthony Woolston*

Anthony Woolston retired as a Commander, Royal Navy in 2000 after 32 years' service, having attained an ACCA Certified Diploma in Accountancy and Finance (CDipAF) the year before. He successfully applied for the post of School Bursar at Farnborough Hill and was appointed in December 2000. He served in that position for 14 years before retiring for a second time. During the period that the charitable trust was engaged in a project with a view to develop a retirement facility, he acted as Company Secretary and a Director of the charity's subsidiary company. He accepted the offer to become a Trustee of the charity on 26 May 2018.

Key management personnel

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

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They have met regularly to review developments with regard to the charity or its activities and make any important decisions. They have been assisted in their tasks by professional advisers who have provided advice and support in areas of property, investments, accounting and legal matters. There is a lay person who has been responsible for finance and secretarial matters. The lay secretary possesses no executive authority.

At least three trustee meetings are normally held in a year. All trustees endeavour to meet annually with the auditor and investment managers.

Governance, structure and management, and relevant policies (continued)

Trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the 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 income and expenditure 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 of Accounting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Risk management

The trustees recognise their responsibility for the management of risks faced by the charity and the sisters. The Covid pandemic had and continues to clearly present us with challenges and threats to the well-being of our charity and its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

Four designated areas have been identified and delegated to various trustees. These areas are: governance and strategic risk; environmental; operational; and financial. The trustees work to develop and to put in place a policy which understands the risks the charity faces and that seeks to learn to adapt to meet new challenges.

The trustees are satisfied that systems are in place to mitigate any exposure to the major risks.

Governance, structure and management, and relevant policies (continued)

Risk management (continued)

The main long-term risk facing the charity is that it may not be able to meet all of the costs of caring for sick and/or elderly sisters. This, in general, is not a risk that can be avoided. Prudent management of funds will be exercised, and properties may provide a potential source of funding should activities contract in the long term. This risk becomes more acute as the sisters become more dependent. The trustees review the finances and personnel regularly and have concluded that a level of funding of £2,160,000 to care for elderly sisters set aside as a designated fund is appropriate. This allows the trustees to plan the finances for the required care for the sisters.

As with all organisations serving in the community, the trustees recognise the necessity of ensuring the protection and safety of all those the charity serves. Therefore, a sister has been appointed to implement within the charity, the policies and procedures of the Catholic Safeguarding Standards Agency (CSSA), (a new organisation set up by the Catholic Church in England and Wales to oversee the protection of children and vulnerable adults in all Catholic Institutions and organisations). This sister regularly attends sessions to keep herself updated. Where it applies, sisters, employees and volunteers have had clearance from the Disclosure and Barring Service. Trustees and staff are updated on developments within the CSSA. As the Institute is a member of the Religious Life Safeguarding Service the sister works closely with this service.

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 regularly with the investment managers and the managers' 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 trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility 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.

During each year the trustees coordinate an updated review of risk including matters of health and safety and risk assessment. This is done in conjunction with the health and safety advice from the charity's insurance brokers. The results are communicated to the sisters and staff.

Investment policy

The charity has discretionary investment management agreements with Investec Wealth & Investment Limited and Charles Stanley & Co Limited.

The trustees receive a report and valuation every three months and meet at least once a year with each of the investment managers. They ensure that each portfolio is managed in accordance with their written guidelines and with the religious and ethical principles of the charity. Acceptable investments, mostly equities, are chosen so that through the relevant companies' activities people's lives will be enhanced, natural resources will be used responsibly and all of creation will be respected.

Governance, structure and management, and relevant policies (continued)

Investment policy (continued)

The investment strategy takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Roman Catholic Church.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Institute as appropriate.

Whilst the trustees have given occasional support to United Kingdom organisations whose work is within the objects of the charity, the charity does not regard itself as grant making entity and applications for grants and donations are not invited.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The trustees take care with both the tone of communications and the accuracy of data to minimise the pressures on supporters. They apply best practice to protect supporters' data and never sell data, never swap data and ensure that communication preferences can be changed at any time. They manage their own fundraising activities and do not employ the services of professional fundraisers. They undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and so improve service. During the year, the charity received no complaints about its fundraising activities.

Working with other organisations

The charity has worked closely with a number of other charities and public bodies which work in the field of providing education and providing care to the vulnerable and those requiring support. In some instances, sisters are, or have been, employed by these organisations; whilst in other instances the relationships are more informal. In all cases, working together with other charities and public bodies has enhanced communication and understanding thus enabling services to the elderly and other people to be provided more efficiently and effectively and avoiding duplication of effort. Examples of the organisations for which members have supported and with which the charity has cooperated during the year are as follows:

- ◆ Medaille Trust – to help equip survivors with new skills to recover from trafficking
- ◆ St Michael's Abbey – to help train young monks
- ◆ Aisling Project – to help rehabilitate homeless individuals connect with their roots and families

Governance, structure and management, and relevant policies (continued)

Working with other organisations (continued)

- ◆ The Little Way Association – training of young sisters and aid projects
- ◆ The Mumbai Salesians Society (via Salesians, Thornleigh House, Bolton) – to help educate vulnerable young people
- ◆ St Barnabas Society – to provide support and training for Anglican priests who become members of the Catholic Church
- ◆ Benedictine Sisters of Our Lady of Grace and Compassion – to help train young sisters
- ◆ Community Kairos Trust – to provide recovery programmes for people with addictions
- ◆ Missio – support to provide aid projects
- ◆ Cafod -- to help create programmes to provide education for farmers to look after their land in a way that is sustainable, supportive to become independent and live in harmony with the earth
- ◆ Parity for Disability – to help provide education and social programmes for young people with disability
- ◆ Jesuit Refugee Service – help to provide refugees and asylum seekers with programmes to help them find the support they need.

Employees, volunteers, and members of the Institute

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

Trustee Elizabeth McCormack RCE

Approved by the trustees on: 4th March 2024

Independent auditor's report to the trustees of the Sisters of Christian Education CIO

Opinion

We have audited the accounts of the Sisters of Christian Education CIO (the charity) for the year ended 31 July 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 July 2023 and of the 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 authorized 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 charity's accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize 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); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

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

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

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

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorization thereof;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; 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:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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

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

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

Independent auditor's report 31 July 2023

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and 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

6 March 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 July 2023

	Notes	2023 £	2022 £
Income from:			
Donations	1	97,051	92,560
Investments and interest receivable	2	196,264	183,422
Other sources			
. Surplus on disposal of tangible fixed assets		3,004	305
. Miscellaneous income		690	579
Total income		297,009	276,866
Expenditure on:			
Raising funds			
. Investment management fees		42,826	46,104
Charitable activities			
. Support of members of the Institute and their ministry	3	326,908	284,490
. Grants and donations	4	326,163	240,369
Total expenditure		695,897	570,963
Net expenditure for the year before net investment losses	6	(398,888)	(294,097)
Net investment losses	10	(244,316)	(580,679)
Net expenditure and net movement in funds		(643,204)	(874,776)
Reconciliation of funds:			
Fund balances brought forward at 1 August 2022		7,741,037	8,615,813
Fund balances carried forward at 31 July 2023		7,097,833	7,741,037

All income and expenditure of the charity is in respect to unrestricted funds.

All of the charity's activities derived from continuing operations during both the above financial years.

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

Balance sheet 31 July 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		283,903		273,133
Investments	10		6,764,803		7,332,235
			7,048,706		7,605,368
Current assets					
Debtors	11	77,982		65,561	
Cash at bank and in hand		137,389		151,858	
		215,371		217,419	
Current liabilities					
Creditors: amounts falling due within one year	12	(116,244)		(81,750)	
Net current assets			99,127		135,669
Total assets less current liabilities			7,147,833		7,741,037
Creditors: amounts falling due after one year	13		(50,000)		—
Total net assets			7,097,833		7,741,037
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
. Tangible fixed assets fund	14		283,903		273,133
. Designated funds	15		6,604,000		7,000,000
. General funds			209,930		467,904
			7,097,833		7,741,037

Approved by the trustees and signed on their behalf by:

Elizabeth McCormack RCE

Trustee

Approved on: 4th March 2024

Statement of cash flows Year to 31 July 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(532,367)	(594,724)
Cash flows from investing activities:			
Investment income and interest received		204,882	230,796
Surplus on the disposal of tangible fixed assets		3,700	305
Purchase of tangible fixed assets		(13,800)	—
Proceeds from the disposal of investments		1,171,237	1,859,086
Purchase of investments		(1,331,492)	(1,047,885)
Net cash provided by investing activities		34,527	1,042,302
Change in cash and cash equivalents in the year		(497,840)	447,578
Cash and cash equivalents at 1 August 2022	B	752,699	305,121
Cash and cash equivalents at 31 July 2023	B	254,859	752,699

Notes to the statement of cash flows for the year to 31 July 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)	(643,204)	(874,776)
Adjustments for:		
Depreciation charge	2,334	278
Surplus on the disposal of tangible fixed assets	(3,004)	(305)
Investment losses	244,316	580,679
Investment income and interest receivable	(196,264)	(183,422)
Increase in debtors	(21,039)	(13,200)
Increase (decrease) in creditors	84,494	(103,978)
Net cash used in operating activities	(532,367)	(594,724)

B Analysis of changes in cash and cash equivalents

	At 1 August 2022	Cash flows	At 31 July 2023
Cash at bank and in hand	151,858	(14,469)	137,389
Cash held by investment managers	600,841	(483,371)	117,470
Total cash and cash equivalents	752,699	(497,840)	254,859

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

Principal accounting policies 31 July 2023

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

Basis of preparation

These accounts have been prepared for the year to 31 July 2023 with the comparatives for the year to 31 July 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 of the charity requires the trustees to make significant judgements and estimates.

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

- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ the assumptions applied in determining the size of the retirement reserve, created in order to provide for the continuing care of the members of the Institute;
- ◆ determining the assumptions adopted by the trustees in determining the value of any other designations required from the charity's general unrestricted 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 acknowledge and recognise the impact of the current macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Assessment of going concern (continued)

In terms of expenditure, it is anticipated that there may be a rise in living expenses due to rise in cost of living and the costs of nursing care of the elderly sisters. The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

With regard to the next accounting period, the year ending 31 July 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment market. This is particularly relevant at the current time given the volatility on world stock markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, investment income and interest receivable 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.

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

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

Income from other sources 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. All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible.

Expenditure on raising funds comprises investment management fees incurred by the charity.

Expenditure recognition (continued)

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities and includes:

- ◆ Expenditure on the support of members of the Institute. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Institute.
- ◆ Grants and donations to support the Institute's own work overseas and to support other charitable organisations with objectives consistent with those of the charity 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 donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

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

All expenditure on support and governance is allocated to charitable activities of care of members of the Institute as any such costs in relation to the provision of donations and grants is considered minimal.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

- ◆ Freehold land and buildings
Freehold land and buildings are included on the balance sheet at cost.

Freehold land and buildings comprise buildings designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

Tangible fixed assets (continued)

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated at 25% per annum, based on the estimated useful life of the asset, on a reducing balance basis.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated at 25% per annum, on a reducing balance basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset 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.

Principal accounting policies 31 July 2023

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 designated certain amounts for specific purposes and have identified those non-liquid funds represented by tangible fixed assets. Details of these funds are given in notes 14 and 15 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.

Pensions

The charity contributes to a personal pension plan of an employee and contributions are charged to the statement of financial activities in the year in which they are payable to the plan.

1 Income from: Donations

	2023 £	2022 £
Pensions of individual religious received under Gift Aid or Deed of Covenant	97,051	92,560

2 Income from: Investments and interest receivable

	2023 £	2022 £
Income from listed investments		
. UK equities	44,015	58,192
. Overseas equities	38,425	34,657
. UK fixed interest securities	61,598	63,545
. Overseas fixed interest securities	5,711	1,377
. Alternatives	45,740	25,612
	195,489	183,383
Interest receivable		
. Interest on bank and short-term deposits	233	39
. Interest on cash held by investment managers	542	—
	196,264	183,422

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

	2023 £	2022 £
Staff costs (note 7)	35,027	33,778
Premises	54,689	51,005
Sisters' living and personal expenses	20,377	15,957
Support of aged sisters in nursing homes	138,192	129,638
Motor and travelling expenses	9,229	5,886
Depreciation	2,334	278
Education, training and spiritual renewal	7,226	5,262
Translation expenses – Louis Lafosse book	19,645	1,806
Care of cemetery and funeral expenses	—	4,541
Medical expenses	2,289	2,232
Support costs		
. Legal and professional fees	8,157	6,091
. Other support costs	9,791	10,766
. Governance costs (note 5)	19,952	17,250
	326,908	284,490

4 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the advancement of education and other charitable causes which further the Christian faith and address social problems.

	2023 £	2022 £
Louis Lafosse Educational CIO (note 17)		
. to provide support to the educational work of the charity	65,000	130,000
Benedictine Sisters of Our Lady of Grace and Compassion		
. to provide support to novitiates	20,000	20,000
Farnborough Abbey		
. to support the education of new members	30,000	30,000
The Aisling Project		
. to support their charitable activities	10,000	10,000
Catholic Agency for Overseas Development (CAFOD)		
. to support their charitable activities	5,000	5,000
Jesuit Refugee Centre		
. to support their charitable activities	10,000	10,000
Kairos Community Trust		
. to support efforts to address homelessness and addiction	10,000	10,000
The Little Way Association		
. to support their charitable activities	5,000	5,000
Maryvale Institute		
. to help with promoting Catholic learning	2,000	2,000
Medaille Trust		
. to support their charitable activities	5,000	5,000
Parity for Disability		
. to support disabled people	2,000	2,000
Salesians of Don Bosco		
. to support their charitable activities	1,500	1,500
Missio		
. to support their charitable activities	2,000	2,000
St Barnabas Society		
. to support their charitable activities	1,000	1,000
Thames Hospice		
. to help provide nursing and medical care	2,000	2,000
Centre for Catholic Studies, Durham University		
. to provide funds to support post graduate scholarships	150,000	—
Other donations (all less than £1,000)	5,663	4,869
	326,163	240,369

During the year, the trustees of the Sisters of Christian Education CIO awarded a three year grant totalling £150,000 to the Centre for Catholic Studies, part of the Department of Theology and Religion at Durham University (the Centre). The funding has been provided to support postgraduate scholarships for three years commencing in 2023. The commitment for the next two years has been recognised as a liability in these accounts (see notes 12 and 13).

5 Expenditure on: Governance costs

	2023 £	2022 £
Legal and professional fees	19,952	17,250

6 Net expenditure for the year before net investment losses

This is stated after charging:

	2023 £	2022 £
Staff costs (note 7)	35,027	33,778
Auditor's remuneration (including VAT)		
. Statutory audit services		
.. Current year	17,800	16,200
.. Previous year	810	—
. Other services (accounting, tax and payroll and advisory)		
.. Current year	6,088	4,674
.. Previous year	942	—
Depreciation	2,334	278

7 Staff costs, key management personnel and transactions with trustees

	2023 £	2022 £
Staff costs during the year were as follows:		
Wages and salaries	34,263	33,047
Pension costs	764	731
	35,027	33,778

There were 3 part time employees during the year (2022 – 3).

Social security costs for the charity were fully covered by the annual allowance provided by the government.

All staff costs relate to the support of the members of the Institute and their ministry.

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2022 – none).

Key management personnel

The trustees consider that they comprised the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

Four of the charity's trustees, who served during the year, were members of the Institute of Christian Education 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 trustees received any remuneration in connection with their duties as a trustee during the year (2022 – none).

During the year, expenses of £86 (2022 - £nil) were reimbursed to one trustee (2022 – none) in relation to out of pocket travel and stationery expenses.

8 Taxation

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

9 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Furniture, plant and equipment £	Total £
Cost				
At 1 August 2022	272,300	10,863	13,005	296,168
Additions	—	13,800	—	13,800
Disposals	—	(10,863)	—	(10,863)
At 31 July 2023	<u>272,300</u>	<u>13,800</u>	<u>13,005</u>	299,105
Depreciation				
At 1 August 2022	—	10,167	12,868	23,035
Charge for the year	—	2,300	34	2,334
On disposals	—	(10,167)	—	(10,167)
At 31 July 2023	<u>—</u>	<u>2,300</u>	<u>12,902</u>	15,202
Net book values				
At 31 July 2023	<u>272,300</u>	<u>11,500</u>	<u>103</u>	283,903
At 31 July 2022	<u>272,300</u>	<u>696</u>	<u>137</u>	273,133

As permitted under FRS 102, the charity adopts a policy of not revaluing its tangible fixed assets.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

Post balance sheet events

Progress has been made on the sale of two properties in Farnborough with the exchange of contracts in March 2023. It is hoped that completion will be achieved within the next two years. However, this is subject to planning permission being granted, the application for which was refused at the Rushmoor Borough Council Development Management Committee meeting held on 8 November 2023. The developers are confident they will achieve the requisite planning permission in the first quarter of 2024 and once achieved, it is expected that the gross proceeds will be approximately £2.5m.

Notes to the accounts 31 July 2023

10 Investments

At 31 July 2023 listed investments comprised:

	2023 £	2022 £
Listed investments		
Fair (market) value at 1 August 2022	6,731,394	8,123,274
Additions at cost	1,331,492	1,047,885
Disposals at book value (see below)	(1,241,960)	(2,144,417)
Net unrealised investment losses	(173,593)	(295,348)
Fair (market) value at 31 July 2023	6,647,333	6,731,394
Cash held by investment managers for reinvestment	117,470	600,841
	6,764,803	7,332,235
 Cost of listed investments at 31 July 2023	 6,241,230	 6,050,811

Disposals at book value comprised of the following:

	2023 £	2022 £
Proceeds	1,171,237	1,859,086
Losses	70,723	285,331
	1,241,960	2,144,417

Listed investments held at 31 July 2023 comprised the following:

	2023 £	2022 £
UK equities	1,423,377	1,802,172
Overseas equities	2,596,765	2,194,589
UK unitised funds	6,026	6,026
UK fixed interest securities	1,307,793	1,486,027
Overseas fixed interest securities	139,847	151,496
Alternatives	1,173,527	1,091,084
	6,647,335	6,731,394

At 31 July 2023 no individual holdings were deemed material in the context of the entire portfolio.

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

11 Debtors

	2023 £	2022 £
Investment income receivable	6,102	14,720
Prepayments in respect to disposal of freehold properties (note 9)	50,306	32,297
Other prepayments	16,712	13,682
Amounts due from Louis Lafosse Educational CIO (note 17)	1,862	3,000
Accrued income	3,000	1,862
	77,982	65,561

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Expense creditors	16,887	172
Accruals	27,063	32,506
Grants payable (note 4)	50,000	20,000
Social security costs	361	343
Monies held on behalf of the Generalate of the Institute of Christian Education	21,933	28,729
	116,244	81,750

13 Creditors: amounts falling due after one year

	2023 £	2022 £
Grants payable (note 4)	50,000	—

14 Tangible fixed assets fund

	2023 £	2022 £
At 1 August 2022	273,133	273,411
Net movement in year	10,770	(278)
At 31 July 2023	283,903	273,133

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

15 Designated funds

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

These funds are as follows:

	Retirement fund £	Donations fund £	2023 Total £
At 1 August 2022	2,170,000	4,830,000	7,000,000
Released in the year	(10,000)	(386,000)	(396,000)
At 31 July 2023	2,160,000	4,444,000	6,604,000

Notes to the accounts 31 July 2023

15 Designated funds (continued)

	Retirement fund £	Donations fund £	2022 Total £
At 1 August 2021	2,000,000	5,900,000	7,900,000
Designated in the year	170,000	—	170,000
Released in the year	—	(1,070,000)	(1,070,000)
At 31 July 2022	2,170,000	4,830,000	7,000,000

Retirement fund

The retirement fund comprises assets which the trustees have set aside in order to provide for the sisters as they grow older. The amount of the fund had been calculated using actuarial principles, whilst having regard to the resources actually available.

Donations fund

The trustees have established the donations fund to provide income to be applied towards donations, bursaries and scholarships. This fund was originally designated to provide educational donations.

16 Analysis of net assets between funds

	Tangible fixed assets fund £	Designated funds £	General funds £	Total funds 2023 £
Tangible fixed assets	283,903	—	—	283,903
Listed investments	—	6,704,000	60,803	6,764,803
Net current assets	—	(50,000)	149,127	99,127
Creditors: amounts falling due after one year	—	(50,000)	—	(50,000)
	283,903	6,604,000	209,930	7,097,833

	Tangible fixed assets fund £	Designated funds £	General funds £	Total funds 2022 £
Tangible fixed assets	273,133	—	—	273,133
Listed investments	—	7,000,000	332,235	7,332,235
Net current assets	—	—	135,669	135,669
	273,133	7,000,000	467,904	7,741,037

The total unrealised gains as at 31 July 2023 constitute movements on revaluation and were as follows:

	2023 £	2022 £
Unrealised gains on listed investments included above:		
Total unrealised gains at 31 July 2023	406,103	680,583
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 August 2022	680,583	1,555,481
Less: in respect to disposals in the year	(100,887)	(579,550)
Add: net losses on revaluation arising in the year	(173,593)	(295,348)
Total unrealised gains at 31 July 2023	406,103	680,583

17 Related party transactions

Trustees

Four of the trustees who served during the year are members of the Institute and have no 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 £16,102 (2022: £21,335).

During the year, expenses of £86 (2022 - £nil) were reimbursed to one trustee (2022 – none) in relation to out of pocket travel and stationery expenses.

Others

Sister Cara Nagle, Sister Elizabeth McCormack, Sister Rosemary O’Looney, Cdr Anthony John Woolston and Sister Mary Dawson, until her resignation as trustee on 20 February 2023, were also trustees of the Louis Lafosse Educational CIO (Charity Registration No 1177782), and transactions between them are deemed related party transactions.

During the year, the charity authorised a donation of £65,000 (2022: £130,000) to the Louis Lafosse Educational CIO. At 31 July 2023, Louis Lafosse Educational CIO owed the charity £3,000 (2022: £3,000) (note 11).

The charity has made payments for rent of a property totalling £7,200 (2022 - £7,200) to The Farnborough Hill Trust, a charitable company, where Sister Elizabeth McCormack, Sister Rosemary O’Looney and Sister Cara Nagle, trustees of the charity, are company members.

There were no other related party transactions during the year the current or the previous year.

18 Membership, ultimate control and liability of members

The Congregational Leader for the time being is automatically, by virtue of holding that office, is ex-officio the sole member of the charity for as long as she holds office.

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

SISTERS OF CHRISTIAN EDUCATION CIO

England & Wales - Charity number 1177158

Accounts

**Sisters of Christian
Education CIO**

Annual Report and Accounts

31 July 2022

Charity Registration Number 1177158

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Reference and administrative information 31 July 2022

Trustees	Sister Mary Dawson RCE (resigned 20 February 2023) Sister Elizabeth McCormack RCE Sister Cara Nagle RCE Sister Rosemary O'Looney RCE Cdr Anthony John Woolston (CDipAF)
Congregational Leader	Sister Cara Nagle RCE
Delegate Bursar	Sister Elizabeth McCormack RCE
Principal address	2 Woodland Crescent Farnborough Hampshire GU14 8BF
Charity registration number	1177158
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	National Westminster Bank plc Farnborough Branch 31-37 Victoria Road Farnborough Hampshire GU14 7NR
Investment managers	Charles Stanley & Co Limited 25 Luke Street London EC2A 4AR Investec Wealth & Investment Limited 2 Gresham Street London EC2 7QP

Reference and administrative information 31 July 2022

Solicitors Stone King LLP
Upper Borough Court
Upper Borough Walls
Bath
BA1 1RG

Property consultants Savills plc
244-246 High Street
Guildford
GU1 3JF

Trustees' report 31 July 2022

The trustees present their report together with the accounts of the Sisters of Christian Education CIO (the “charity” or the “CIO”) for the year to 31 July 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 to 30 and comply with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

The Sisters of Christian Educational CIO is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission (Charity Registration Number 1177158) and governed by a Constitution dated 14 February 2018.

Principal activities, objectives and aims

The Institute of Christian Education (the Institute) is a Roman Catholic Religious Institute founded in Échauffour, Normandy in 1817. The Institute is international, operating in England, Ireland, France and America. The Generalate is now based in Dublin, Ireland (previously in Paris). The Institute is governed by its own constitution.

The assets of the Institute in United Kingdom were, until 31 July 2019, held by the unincorporated charity Educating Children In The Roman Catholic Faith Administered in Connection With the Institute Of Christian Education And Other Roman Catholic Purposes, commonly known as the Institute of Christian Education Charitable Trust (Charity Registration Number 244663) (the “charitable trust”).

The CIO was set up to continue the religious and certain educational work of the charitable trust. With effect from 1 August 2019 certain assets, liabilities and activities of the unincorporated charity were transferred to the CIO.

The objects of the CIO are the advancement of the Roman Catholic religion through the religious and other charitable work of the Institute, and aiding or promoting the advancement of the education of children in accordance with the principles and doctrines of the Roman Catholic religion, in particular by, but not limited to, the support of schools and other educational establishments that are conducted in accordance with the principles and subject to the regulations and discipline of the Roman Catholic Church, as the trustees with the approval of the Congregational Leader shall from time to time think fit.

Mission

By caring for individual members of the Institute throughout their lives with 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 wide variety of religious and other charitable works.

The religious and charitable works of individual members of the Institute can be divided into the following principal areas: education, worship and prayer, the social and pastoral work of the sisters and the support of overseas missionary work.

Mission (continued)

The trustees of the charity aim to support all charitable, social and pastoral works being carried out by members of the Institute. These ministries carried out by the sisters all benefit members of the public.

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit in reviewing the charity's aims, objectives and future plans. Details of how the charity fulfils this responsibility are given above and in the activities and objectives section below.

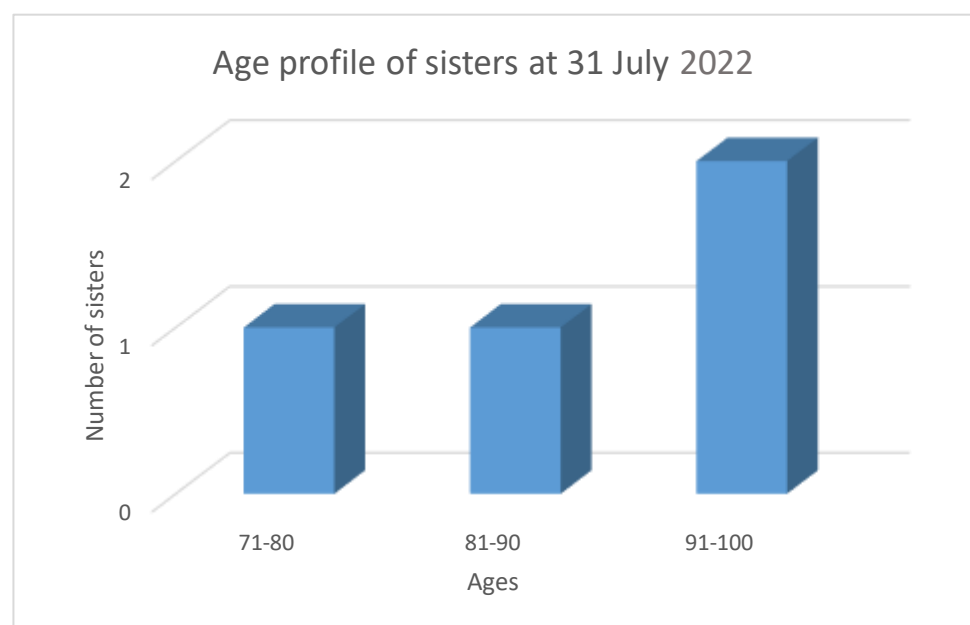
Activities and objectives

An overview of activities

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 the financial support of a wide variety of religious and other charitable works.

1. Caring for members of the Institute

In common with many religious institutes in the United Kingdom, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations becomes minimal.



Activities and objectives (continued)

An overview of activities (continued)

1. *Caring for members of the Institute* (continued)

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 a significant part of their lives to the education of the young, the care of the elderly, poor and marginalised in society. As the age profile of the Institute increases, so too does the need to provide increasing and increasingly expensive care to the sisters. At present three of the members of the Institute are receiving care in nursing homes. The trustees are giving careful consideration to the impact of this on the work of individual members of the Institute, the property requirements of the Institute and the financial implications. In this regard, the objectives of the trustees of the charity over the current year are summarised below. All of these objectives will continue to be applicable for the next few years also.

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Reviewing the properties used as community houses and assessing their suitability as homes for the elderly and frail. Progress has been made on the sale of two properties in Farnborough and it is hoped that, following the exchange of contracts in March 2023, completion (which is subject to planning permission being granted) will be achieved within the next two years.
- ◆ Enabling all members of the Institute to continue with their individual ministries for as long as possible.

2. *Enabling and supporting members in a variety of religious and charitable works*

The religious and charitable works of individual members of the Institute can be divided into the following principal areas: education, worship and prayer, the social and pastoral work of the sisters and the support of overseas missionary work. Due to the small number of members, most of this work is now carried on through financial support for projects that are in line with the objects of the charity. The areas supported include:

- ◆ Education
- ◆ Programmes to help recovery from addiction and homeless
- ◆ Programmes for the rehabilitation of refugees and those affected by human trafficking
- ◆ Overseas development programmes
- ◆ Skills development and art/music therapy sessions for people with disabilities

Covid-19 restrictions did impede some of the charitable work over the past three years. However, the provision of financial aid was still possible.

Activities and objectives (continued)

An overview of activities (continued)

2. Enabling and supporting members in a variety of religious and charitable works
(continued)

Education

The charity has continued to support the education of young sisters and brothers as well as other students.

To celebrate our bicentenary in 2017 the charity joined the Friends and Benefactors of the Centre for Catholic Studies at Durham University by funding scholarships. Students who would not otherwise be able to afford doctoral and postgraduate studies in theology and philosophy benefitted as a result. The money donated is used for tuition and maintenance fees. To date four students have completed masters degrees and two completed doctoral studies. At present five students are being supported towards their doctoral programmes.

"Thank you for your extremely generous cheque for £20,000, towards the formation and training of our young Sisters. Your continuing support for our Sisters' training is invaluable and certainly goes a long way towards easing many of my worries in the regard."
Benedictine Sisters of Grace and Compassion

The Little Way Association writes *"The covid pandemic has presented The Little Way Association with an unprecedented challenge. Many aid projects have been adversely affected and restrictions on movement and contact with other people have made day to day life very difficult. Thousands of families face destitution and the number of people needing physical and spiritual help has increased beyond imagining. More than ever, missionaries ask us to support their work of spreading the Gospel and helping the needy. We are currently helping the church in Ukraine."*

"As an organisation, we greatly appreciate all our supporters and the valuable contribution they make, whether that is prayerfully, practically, or financially. Much of our work is only made possible thanks to individuals, organisations and religious communities. Your support will help equip modern slavery survivors with the skills they need to recover from their past and rebuild their future, so thank you on behalf of the Trust and the survivors you're helping." Medaille Trust

"Thank you for your very generous support. It helps us to continue our mission work and our crusade of assistance to the poor and the needy youngsters." Salesians in India

Worship and prayer

Members of the Institute are given the opportunity for private worship and public worship and to continue to develop their knowledge and trust in Jesus Christ and the Church through quiet prayer, study of the Gospel and spiritual development. Members of the Institute celebrate and pray with the wider community including people of all faiths and none. A sister is available to listen to people in times of need and pray with the housebound. They support the Farnborough Hill School community by regular attendance at school Liturgical celebrations.

Activities and objectives (continued)

An overview of activities (continued)

2. Enabling and supporting members in a variety of religious and charitable works
(continued)

Worship and prayer (continued)

The following is an extract from the Sisters' Constitution on the section on Prayer:

'Prayer is an expression of our central relationship with God and with others. Each one is responsible for the nourishment of her faith through meditating the Scriptures, studying the teachings of the Church and spiritual reading.

Ecumenical exchanges invite us to widen our prayer and reflection.'

Social and pastoral work

A member of the Institute is involved in some forms of social or pastoral work in Farnborough:

- ◆ Supporting in the local parish
- ◆ Visiting some elderly, some housebound, the bereaved and those who need encouragement and support.
- ◆ Pastoral care/visiting hospitals and nursing homes.

Volunteer

One member is involved in administering the work of the Institute and charity - without this contribution the charity would not be able to function as effectively or fully as it does.

Details of the areas in which one member gives some of her time are shown in the table below. Due to the Covid 19 pandemic some activities were limited over the past three years. However, some restrictions were overcome with the use of social media.

Area

Education
General Parish support
Hospital visiting
Housebound visiting
Working with other groups/ organisations
Administration

There are a total of 4 sisters in England during the year, of which three are resident in nursing homes.

Financial review

Results for the year

A summary of the charity's results for the year can be found on page 23 of this report and accounts.

During the year to 31 July 2022, income amounted to £276,866 (2021 - £294,606). Of the income, a total of £92,560 (2021 - £93,306) was received by way of donations representing salaries and pensions of the sisters covenanted to the charity. Investment income and interest receivable totalled £183,422 (2021 - £201,200).

Expenditure for the charity totalled £570,963 (2021 - £556,162). Expenditure incurred on supporting the members of the Institute and their pastoral work and ministry amounted to £284,490 (2021 - £281,560). Grants and donations amounted to £240,369 (2021 - £229,115). Further details of grants and donations are provided in note 4 to the accounts. Expenditure on investment management fees was £46,104 (2021 - £45,487).

Net expenditure of the charity before investment gains was £294,097 (2021 - £261,556). Investment losses for the year amounted to £580,679 (2021 - gains of £1,139,526), resulting in net expenditure and a net decrease in funds of £874,776 (2021 - net increase of £877,970).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out on page 15 of this report and comply with the ethical guidelines given to them.

Due to current macroeconomic and geopolitical climate the value of the portfolio decreased during the year but the overall performance was consistent with that of markets generally. Total investment income from listed investments was £183,422 (2021 - £201,200).

The trustees continue to take a long-term view and believe their investment policy continues to be applied and remains appropriate.

Reserves policy and financial position

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to generate enough income to cover approximately one year's on-going expenditure and to provide for contingencies, unevenness in future income and volatility in the value of investments. In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the current macroeconomic and geopolitical climate.

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive given the inherent volatility on world stock markets at the current time and given the discernment process being undertaken in respect to future property needs.

Financial review (continued)

Reserves policy and financial position (continued)

The charity's balance sheet shows that at 31 July 2022 funds totalled £7,741,037 (2021 - £8,615,813). Of this £273,133 (2021: £273,411) is represented by tangible fixed assets used to support the work of the sisters and, therefore, cannot be easily realised if needed to meet future contingencies.

A further £2.17 million (2021: £2 million) represents a retirement reserve designated to provide an income to maintain the sisters as they grow older. A further £4,830,000 has been designated as an Education Fund. Further details of designated funds are given in note 15 to the accounts.

Therefore, reserves which are available to support the sisters and their work in the future are shown on the balance sheet as general funds and amount to £467,904 (2021: £442,402). This figure needs to be considered in the light of annual expenditure of approximately £560,000, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Institute, both in this country and overseas.

The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. There is a real need to retain monies to enable the long-term financial stability of the charity. The trustees consider that the level of free reserves of the charity is adequate but not excessive and will enable them to pursue successfully their charitable objectives.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of their objects. The charity enjoys tax exemption on income and gains provided these are applied for its charitable aims. The charity is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Institute. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

The nature of activities means that the charity is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Fixed assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Future plans and post balance sheet events

The trustees plan that the work of the charity will continue without any significant change in the short term.

Future plans and post balance sheet events (continued)

It is the intention of the trustees of the charity to continue to respond to the needs of the times and fulfil public benefit and to meet the objectives of caring for members of the Institute and to support the charitable work of the sisters for the foreseeable future.

Therefore, the objectives of the trustees of the charity include:

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Institute to continue with their individual ministries, as far as they are able, given their limitations of age and health; and
- ◆ Reviewing the properties used as community houses and assessing their suitability as homes for the elderly and frail. Progress has been made on the sale of two properties in Farnborough and it is hoped that, following the exchange of contracts in March 2023, completion (which is subject to planning permission being granted) will be achieved within the next two years.

Governance, structure and management, and relevant policies

Governance

In terms of Canon Law, the Institute of Christian Education is governed by its own constitution, under the direction of the Institute Leader who is based at the central office in Ireland and the General Council, members of which are based in England and France. The Leadership Team is elected every five years at a General Chapter, i.e., a meeting of elected delegates representing all the sisters worldwide. The Province of England and Ireland was suppressed at a General Chapter in June 2022. The General Council appointed a delegate for England and a delegate bursar given her understanding, experience and knowledge of the needs of England. The Institute Leader and her Council regularly visit the sisters in England.

The charity is a Charitable Incorporated Organisation (CIO), governed by a Constitution and registered with the Charity Commission on 14 February 2018.

The Institute Leader for the time being is automatically, by virtue of holding that office, ex-officio the sole member of the charity for as long as she holds office. If the charity is wound up, the member of the charity has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

The names of the current trustees are given on page 1 of this document. At any time, there must be a minimum of three trustees. The Institute Leader for the time being is automatically, ex-officio, a trustee for as long as she holds that office. All other trustees are appointed by a resolution in writing by the Institute Leader. Trustees are appointed for a term of three years.

In selecting individuals for appointment, the Institute Leader will have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

Three of the current trustees have been vowed members of the Institute for over 40 years. All of them have served the Institute in various capacities in education (secondary and adult, special needs, catechetics and family support); legal affairs; social care; and assisting homeless people, refugees and asylum seekers. These trustees have been in senior administrative roles in the Institute. They are fully aware of everything pertaining to the charity and are responsible for organising personal development opportunities, assemblies and meetings where all the important decisions for the charity are made.

The fourth trustee, a lay person, has been associated with the sisters for several years and has provided professional support to the community in the past.

On being appointed, new trustees undergo induction and training in the roles and responsibilities of their office. Every year some trustees attend training courses necessary to keep themselves updated with new legislation governing trustees. During the year, the following sessions were attended:

- ◆ Trustee training and webinars with selected investment managers
- ◆ All trustees attended the audit clearance meeting at Buzzacott LLP, which included an input on trustee responsibilities
- ◆ Retreats
- ◆ Webinars on Health and Spiritual Care of Elderly Sisters organised by UISG
- ◆ Meeting of Religious Orders involved in Education
- ◆ Safeguarding training, including RLSS sessions
- ◆ Religious Bursars' Conference
- ◆ Conference of Religious meeting and AGM
- ◆ Webinars on Ecology and Laudato Si and Fratelli Tutti
- ◆ Lectures on divesting from fossil fuels
- ◆ Self Audit Training for Communities and Church bodies
- ◆ Webinars on ethical investing and the impact of Covid-19 on investments
- ◆ Meetings and Discussions with investment managers

The trustees try to ensure that important information is shared not just among trustees but throughout the charity.

An important meeting each year is when the trustees meet with the auditor to discuss the annual report and accounts. All the trustees attend this meeting if at all possible as well as the person responsible for meeting with investment managers. The meeting is of great benefit to the trustees and every effort is made to implement the advice and comments of the auditor.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

Three of the current trustees are members of the Institute and as such their living and personal costs during the year were borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office at the date on which this report was approved are given below.

◆ *Sister Elizabeth McCormack*

Sister Elizabeth McCormack became a member of the Congregation in 1964. Having completed training as a teacher at Southampton University, she became a member of the community and teaching staff in Farnborough Hill (an independent Roman Catholic day school for girls age 11 – 18 years). She taught History and Religious Studies for eighteen years and held the position as Head of the school from 1988-1996. Following this, she retrained in Pastoral Counselling at Loyola University, Chicago. On her return to England she was appointed manager of Kairos Community Trust, Peckham. She served in this role for twelve years working with the homeless and those suffering from addictions. She has maintained strong links with Farnborough Hill and has served as a Governor and Chair of Governors for several years. All these past experiences of training, leadership and management are invaluable in her current role as a trustee of the charity and as a member of the General Leadership Team. At the General Chapter of 2022 she was re-elected a member of the General Council and was appointed delegate and delegate bursar for England.

◆ *Sister Cara Nagle*

Sister Cara Nagle became a member of the Institute in 1976 having completed studies as a civil lawyer in University College, Cork. She subsequently trained as a teacher of English and Religious Studies. She taught for nine years in Our Lady's School, Dublin, for secondary students. She served as Provincial of the Anglo-Irish Province from 1990 to 1998. Following this, she re-trained in Pastoral Ministry and worked as a hospital chaplain. She was elected Congregational Leader in 2003 serving ten years in this role. These past experiences provide a significant background to her current roles as Provincial Bursar for the Anglo-Irish Province and as a trustee of the charity. She served eight years as Provincial Bursar. At the General Chapter of 2022 she was re-elected as Congregational Leader.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

◆ *Sister Rosemary O'Looney*

Sister Rosemary O'Looney became a member of the Institute in 1966. She completed Teacher Training in 1971 at Roehampton University, London. She taught in Dublin from 1971-1974 and was acting Head of a School from 1973-1974. In 1974 she was appointed Head of a Boarding School for girls in Co. Wicklow, Ireland, and held this position until the school closed in 2005. She has held various roles of Leadership and was Provincial of the Anglo-Irish Province until it was suppressed at the General Chapter of June 2022. Sister Rosemary O'Looney ceased her mandate as Provincial in October 2022 when she was appointed delegate for Ireland. She was appointed and accepted to be Trustee at this time as she was no longer ex officio. All of this experience is enormously beneficial to her current role as a trustee of the charity.

◆ *Cdr Anthony Woolston*

Anthony Woolston retired as a Commander, Royal Navy in 2000 after 32 years' service, having attained an ACCA Certified Diploma in Accountancy and Finance (CDipAF) the year before. He successfully applied for the post of School Bursar at Farnborough Hill and was appointed in December 2000. He served in that position for 14 years before retiring for a second time. During the period that the charitable trust was engaged in a project with a view to develop a retirement facility, he acted as Company Secretary and a Director of the charity's subsidiary company. He accepted the offer to become a Trustee of the charity on 26 May 2018.

Key management personnel

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

Three of the current trustees are 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, have been borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as a trustee.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They have met regularly to review developments with regard to the charity or its activities and make any important decisions. They have been assisted in their tasks by professional advisers who have provided advice and support in areas of property, investments, accounting and legal matters. There is a lay person who has been responsible for finance and secretarial matters. The lay secretary possesses no executive authority.

At least three trustee meetings are normally held in a year. All trustees endeavour to meet annually with the auditor and investment managers.

Governance, structure and management, and relevant policies (continued)

Trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the 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 income and expenditure 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 of Accounting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Risk management

The trustees recognise their responsibility for the management of risks faced by the charity and the sisters. The Covid pandemic had and continues to clearly present us with challenges and threats to the well-being of our charity and its activities which could not have been foreseen. The trustees recognise their responsibility for the management of risks faced by the charity and the sisters.

Four designated areas have been identified and delegated to various trustees. These areas are: governance and strategic risk; environmental; operational; and financial. The trustees work to develop and to put in place a policy which understands the risks the charity faces and that seeks to learn to adapt to meet new challenges.

The trustees are satisfied that systems are in place to mitigate any exposure to the major risks.

Governance, structure and management, and relevant policies (continued)

Risk management (continued)

The main long-term risk facing the charity is that it may not be able to meet all of the costs of caring for sick and/or elderly sisters. This, in general, is not a risk that can be avoided. Prudent management of funds will be exercised, and properties may provide a potential source of funding should activities contract in the long term. This risk becomes more acute as the sisters become more dependent. The trustees review the finances and personnel regularly and have concluded that a level of funding of £2,170,000 to care for elderly sisters set aside as a designated fund is appropriate. This allows the trustees to plan the finances for the required care for the sisters.

As with all organisations serving in the community, the trustees recognise the necessity of ensuring the protection and safety of all those the charity serves. Therefore, a sister has been appointed to implement within the charity, the policies and procedures of the Catholic Safeguarding Standards Agency, (a new organisation set up by the Catholic Church in England and Wales to oversee the protection of children and vulnerable adults in all Catholic Institutions and organisations). This sister regularly attends sessions to keep herself updated. Where it applies, sisters, employees and volunteers have had clearance from the Disclosure and Barring Service. Trustees and staff are updated on developments within the CSSA.

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 regularly with the investment managers and the managers' 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 trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility 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.

During each year the trustees coordinate an updated review of risk including matters of health and safety and risk assessment. This is done in conjunction with the health and safety advice from the charity's insurance brokers. The results are communicated to the sisters and staff.

Investment policy

The charity has discretionary investment management agreements with Investec Wealth & Investment Limited and Charles Stanley & Co Limited.

The trustees receive a report and valuation every three months and meet at least once a year with each of the investment managers. They ensure that each portfolio is managed in accordance with their written guidelines and with the religious and ethical principles of the charity. Acceptable investments, mostly equities, are chosen so that through the relevant companies' activities people's lives will be enhanced, natural resources will be used responsibly and all of creation will be respected.

Governance, structure and management, and relevant policies (continued)

Investment policy (continued)

The investment strategy takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Roman Catholic Church.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Institute as appropriate.

Whilst the trustees have given occasional support to United Kingdom organisations whose work is within the objects of the charity, the charity does not regard itself as grant making entity and applications for grants and donations are not invited.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The trustees take care with both the tone of communications and the accuracy of data to minimise the pressures on supporters. They apply best practice to protect supporters' data and never sell data, never swap data and ensure that communication preferences can be changed at any time. They manage their own fundraising activities and do not employ the services of professional fundraisers. They undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and so improve service. During the year, the charity received no complaints about its fundraising activities.

Working with other organisations

The charity has worked closely with a number of other charities and public bodies which work in the field of providing education and providing care to the vulnerable and those requiring support. In some instances sisters are, or have been, employed by these organisations; whilst in other instances the relationships are more informal. In all cases, working together with other charities and public bodies has enhanced communication and understanding thus enabling services to the elderly and other people to be provided more efficiently and effectively and avoiding duplication of effort. Examples of the organisations for which members have supported and with which the charity has cooperated during the year are as follows:

- ◆ Medaille Trust – to help equipping survivors with new skills to recover from trafficking
- ◆ St Michael's Abbey – to help train young monks
- ◆ Aisling Project – to help rehabilitate homeless individuals connect with their roots and families

Governance, structure and management, and relevant policies (continued)

Working with other organisations (continued)

- ◆ The Little Way Association – training of young sisters and aid projects
- ◆ The Mumbai Salesians Society (via Salesians, Thornleigh House, Bolton) - helping educate vulnerable young people
- ◆ St Barnabas Society – to provide support and training for Anglican priests who become members of the Catholic Church
- ◆ Benedictine Sisters of Our Lady of Grace and Compassion – to help train young sisters
- ◆ Community Kairos Trust – to provide recovery programmes for people with addictions
- ◆ Missio – support to provide aid projects
- ◆ Cafod -- to help create programmes to provide education for farmers to look after their land in a way that is sustainable, supportive to become independent and live in harmony with the earth
- ◆ Parity for Disability – to help provide education and social programmes for young people with disability
- ◆ Jesuit Refugee Service – help to provide refugees and asylum seekers with programmes to help them find the support they need.

Employees, volunteers, and members of the Institute

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

Approved by the trustees and signed on their behalf by:

Sister Elizabeth McCormack RCE

Trustee

Approved by the trustees on: 2nd May 2023

Independent auditor's report to the trustees of the Sisters of Christian Education CIO

Opinion

We have audited the accounts of the Sisters of Christian Education CIO (the charity) for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of the 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 authorized 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 charity's accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize 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); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

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

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

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

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorization thereof;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; 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:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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

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

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

Independent auditor's report 31 July 2022

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and 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

4 May 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 July 2022

	Notes	2022 £	2021 £
Income from:			
Donations	1	92,560	93,306
Investments and interest receivable	2	183,422	201,200
Other sources			
. Surplus on disposal of tangible fixed assets		305	—
. Miscellaneous income		579	100
Total income		276,866	294,606
Expenditure on:			
Raising funds			
. Investment management fees		46,104	45,487
Charitable activities			
. Support of members of the Institute and their ministry	3	284,490	281,560
. Grants and donations	4	240,369	229,115
Total expenditure		570,963	556,162
Net expenditure for the year before net investment (losses) gains	6	(294,097)	(261,556)
Net investment (losses) gains	10	(580,679)	1,139,526
Net (expenditure) income and net movement in funds		(874,776)	877,970
Reconciliation of funds:			
Fund balances brought forward at 1 August 2021		8,615,813	7,737,843
Fund balances carried forward at 31 July 2022		7,741,037	8,615,813

All income and expenditure of the charity is in respect to unrestricted funds.

All of the charity's activities derived from continuing operations during both the above financial years.

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

Balance sheet 31 July 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	9		273,133		273,411
Investments	10		7,332,235		8,205,109
			7,605,368		8,478,520
Current assets					
Debtors	11	65,561		99,735	
Cash at bank and in hand		151,858		223,286	
		217,419		323,021	
Current liabilities					
Creditors: amounts falling due within one year	12	(81,750)		(165,728)	
Net current assets			135,669		157,293
Total assets less current liabilities			7,741,037		8,635,813
Creditors: amounts falling due after one year	13		—		(20,000)
Total net assets			7,741,037		8,615,813
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
. Tangible fixed assets fund	14		273,133		273,411
. Designated funds	15		7,000,000		7,900,000
. General funds			467,904		442,402
			7,741,037		8,615,813

Approved by the trustees and signed on their behalf by:

Sister Elizabeth McCormack RCE

Trustee

Approved on: 2nd May 2023

Statement of cash flows Year to 31 July 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(594,724)	(486,354)
Cash flows from investing activities:			
Investment income and interest received		230,796	152,441
Surplus on the disposal of tangible fixed assets		305	—
Proceeds from the disposal of investments		1,859,086	1,785,754
Purchase of investments		(1,047,885)	(1,906,357)
Net cash provided by investing activities		1,042,302	31,838
Change in cash and cash equivalents in the year		447,578	(454,516)
Cash and cash equivalents at 1 August 2021	B	305,121	759,637
Cash and cash equivalents at 31 July 2022	B	752,699	305,121

Notes to the statement of cash flows for the year to 31 July 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)	(874,776)	877,970
Adjustments for:		
Depreciation charge	278	370
Surplus on the disposal of tangible fixed assets	(305)	—
Investment losses (gains)	580,679	(1,139,526)
Investment income and interest receivable	(183,422)	(201,200)
Increase in debtors	(13,200)	(20,484)
Decrease in creditors	(103,978)	(3,484)
Net cash used in operating activities	(594,724)	(486,354)

B Analysis of changes in cash and cash equivalents

	At 1 August 2021	Cash flows	At 31 July 2022
Cash at bank and in hand	223,286	(71,428)	151,858
Cash held by investment managers	81,835	519,006	600,841
Total cash and cash equivalents	305,121	447,578	752,699

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

Principal accounting policies 31 July 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 year to 31 July 2022 with the comparatives for the year to 31 July 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 of the charity requires the trustees to make significant judgements and estimates.

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

- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ the assumptions applied in determining the size of the retirement reserve, created in order to provide for the continuing care of the members of the Institute;
- ◆ determining the assumptions adopted by the trustees in determining the value of any other designations required from the charity's general unrestricted 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 acknowledge and recognise the residual impact of the Covid-19 pandemic on the charity and the impact of the current macroeconomic and geopolitical climate and have concluded that there may be some negative consequences such as the volatility in investment values and any consequential impact on investment income. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Assessment of going concern (continued)

In terms of expenditure, it is anticipated that there may be a rise in living expenses due to rise in cost of living and the costs of nursing care of the elderly sisters. The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

With regard to the next accounting period, the year ending 31 July 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment market. This is particularly relevant at the current time given the volatility on world stock markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, investment income and interest receivable 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.

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

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

Income from other sources 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. All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible.

Expenditure recognition (continued)

Expenditure on raising funds comprises investment management fees incurred by the charity.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities and includes:

- ◆ Expenditure on the support of members of the Institute. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Institute.
- ◆ Grants and donations to support the Institute's own work overseas and to support other charitable organisations with objectives consistent with those of the charity 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 donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

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

All expenditure on support and governance is allocated to charitable activities of care of members of the Institute as any such costs in relation to the provision of donations and grants is considered minimal.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

- ◆ Freehold land and buildings
Freehold land and buildings are included on the balance sheet at cost.

Freehold land and buildings comprise buildings designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

Tangible fixed assets (continued)

◆ **Furniture and equipment**

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated at 25% per annum, based on the estimated useful life of the asset, on a reducing balance basis.

◆ **Motor vehicles**

Motor vehicles are capitalised and depreciated at 25% per annum, on a reducing balance basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset 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.

Principal accounting policies 31 July 2022

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 designated certain amounts for specific purposes and have identified those non-liquid funds represented by tangible fixed assets. Details of these funds are given in notes 14 and 15 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.

Pensions

The charity contributes to a personal pension plan of an employee and contributions are charged to the statement of financial activities in the year in which they are payable to the plan.

Notes to the accounts 31 July 2022

1 Income from: Donations

	2022 £	2021 £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	92,560	93,056
Other donations	—	250
	92,560	93,306

2 Income from: Investments and interest receivable

	2022 £	2021 £
Income from listed investments		
. UK equities	58,192	94,340
. Overseas equities	34,657	29,090
. UK fixed interest securities	63,545	47,528
. Overseas fixed interest securities	1,377	464
. Alternatives	25,612	29,778
	183,383	201,200
Interest receivable		
. Interest on bank and short-term deposits	39	—
	183,422	201,200

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

	2022 £	2021 £
Staff costs (note 7)	33,778	32,894
Premises	51,005	57,932
Sisters' living and personal expenses	15,957	19,573
Support of aged sisters in nursing homes	129,638	123,890
Motor and travelling expenses	5,886	3,677
Depreciation	278	370
Education, training and spiritual renewal	7,068	4,368
Care of cemetery and funeral expenses	4,541	—
Medical expenses	2,232	1,469
Support costs		
. Legal and professional fees	6,091	6,497
. Other support costs	10,766	11,799
. Governance costs (note 5)	17,250	19,091
	284,490	281,560

4 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the advancement of education and other charitable causes which further the Christian faith and address social problems.

	2022 £	2021 £
Louis Lafosse Educational CIO (note 17)		
. to provide support to the educational work of the charity	130,000	60,000
Benedictine Sisters of Our Lady of Grace and Compassion		
. to provide support to novitiates	20,000	20,000
Farnborough Abbey		
. to support the education of new members	30,000	30,000
The Aisling Project		
. to support their charitable activities	10,000	10,000
Catholic Agency for Overseas Development (CAFOD)		
. to support their charitable activities	5,000	5,000
Jesuit Refugee Centre		
. to support their charitable activities	10,000	10,000
Kairos Community Trust		
. to support efforts to address homelessness and addiction	10,000	10,000
The Little Way Association		
. to support their charitable activities	5,000	5,000
Maryvale Institute		
. to help with promoting Catholic learning	2,000	2,000
Medaille Trust		
. to support their charitable activities	5,000	5,000
Parity for Disability		
. to support disabled people	2,000	2,000
Salesians of Don Bosco		
. to support their charitable activities	1,500	1,500
Missio		
. to support their charitable activities	2,000	2,000
St Barnabas Society		
. to support their charitable activities	1,000	1,000
Thames Hospice		
. to help provide nursing and medical care	2,000	2,000
Centre for Catholic Studies, Durham University		
. to provide funds towards administration costs	—	60,000
Other donations (all less than £1,000)	4,869	3,615
	240,369	229,115

During the year to 31 July 2019, the trustees of the Institute of Christian Education Charitable Trust (the predecessor charity), awarded a grant of £150,000 to the Centre for Catholic Studies, part of the Department of Theology and Religion at Durham University (the Centre). The liability in respect to this grant was transferred to the charity under the transfer agreement. The grant was payable in three annual instalments of £50,000 each and was to be applied towards the funding of a students for research doctorate studies. £50,000 of this grant was payable at 31 July 2021 and was classified as a creditor as at that date (note 12).

4 Expenditure on: Grants and donations (continued)

In addition to the above grant, the charity awarded an additional grant of £60,000 in the year to 31 July 2021 to the Centre to help towards administration costs. This grant is payable in three annual instalments of £20,000 each. £20,000 (2021: £40,000) of this grant is payable after the year end and is classified as a creditor in these accounts (note 12).

The charity's trustees have also communicated to the Centre that they will provide funding of £150,000 for research doctorate studies for a further three years commencing in 2023. The commitment will be recognised as a liability in the accounts for the year to 31 July 2023 following the signing of a formal agreement in April 2023.

5 Expenditure on: Governance costs

	2022 £	2021 £
Legal and professional fees	17,250	19,091

6 Net expenditure for the year before net investment (losses) gains

This is stated after charging:

	2022 £	2021 £
Staff costs (note 7)	33,778	32,894
Auditor's remuneration (including VAT)		
. Statutory audit services		
.. Current year	16,200	16,200
. Other services (accounting, tax and payroll and advisory)	4,674	4,623
Depreciation	278	370

7 Staff costs, key management personnel and transactions with trustees

	2022 £	2021 £
Staff costs during the year were as follows:		
Wages and salaries	33,047	32,188
Pension costs	731	706
	33,778	32,894

There were 3 part time employees during the year (2021 – 3).

Social security costs for the charity were fully covered by the annual allowance provided by the government.

All staff costs relate to the support of the members of the Institute and their ministry.

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2021 – none).

7 Staff costs, key management personnel and transactions with trustees (continued)**Key management personnel**

The trustees consider that they comprised the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

Four of the charity's trustees, who served during the year, were members of the Institute of Christian Education 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 trustees received any remuneration or reimbursement of expenses in connection with their duties as a trustee (2021 - none).

8 Taxation

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

9 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Furniture, plant and equipment £	Total £
Cost				
At 1 August 2021	272,300	21,943	13,005	307,248
Disposals	—	(11,080)	—	(11,080)
At 31 July 2022	272,300	10,863	13,005	296,168
Depreciation				
At 1 August 2021	—	21,015	12,822	33,837
Charge for the year	—	232	46	278
On disposals	—	(11,080)	—	(11,080)
At 31 July 2022	—	10,167	12,868	23,035
Net book values				
At 31 July 2022	272,300	696	137	273,133
At 31 July 2021	272,300	928	183	273,411

As permitted under FRS 102, the charity adopts a policy of not revaluing its tangible fixed assets.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

Post balance sheet events

Progress has been made on the sale of two properties in Farnborough with the exchange of contracts in March 2023. It is hoped that completion (which is subject to planning permission being granted) will be achieved within the next two years. Should completion be achieved, it is expected that the gross proceeds will be approximately £2.5 million.

Notes to the accounts 31 July 2022

10 Listed investments

At 31 July 2022 listed investments comprised:

	2022 £	2021 £
Listed investments		
Fair (market) value at 1 August 2021	8,123,274	6,863,145
Additions at cost	1,047,885	1,906,357
Disposals at book value (see below)	(2,144,417)	(1,729,403)
Net unrealised investment (losses) gains	(295,348)	1,083,175
Fair (market) value at 31 July 2022	6,731,394	8,123,274
Cash held by investment managers for reinvestment	600,841	81,835
	7,332,235	8,205,109
 Cost of listed investments at 31 July 2022	 6,051,324	 6,568,306

Disposals at book value comprised of the following:

	2022 £	2021 £
Proceeds	1,859,086	1,785,754
Losses (gains)	285,331	(56,351)
	2,144,417	1,729,403

Listed investments held at 31 July 2022 comprised the following:

	2022 £	2021 £
UK equities	1,802,172	2,583,907
Overseas equities	2,194,589	2,431,431
UK unitised funds	6,026	6,026
UK fixed interest securities	1,486,027	2,164,433
Overseas fixed interest securities	151,496	65,089
Alternatives	1,091,084	872,388
	6,731,394	8,123,274

At 31 July 2022 no individual holdings were deemed material in the context of the entire portfolio.

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

11 Debtors

	2022 £	2021 £
Investment income receivable	14,720	62,094
Prepayments	45,979	34,494
Amounts due from Louis Lafosse Educational CIO (note 17)	3,000	—
Accrued income	1,862	3,147
	65,561	99,735

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Expense creditors	172	730
Accruals	32,506	35,878
Grants payable (note 4)	20,000	70,000
Amounts due to Louis Lafosse Educational CIO (note 17)	—	10,000
Social security costs	343	350
Monies held on behalf of the Generalate of the Institute of Christian Education	28,729	48,770
	81,750	165,728

13 Creditors: amounts falling due after one year

	2022 £	2021 £
Grants payable (note 4)	—	20,000

14 Tangible fixed assets fund

	2022 £	2021 £
At 1 August 2021	273,411	273,781
Net movement in year	(278)	(370)
At 31 July 2022	273,133	273,411

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

15 Designated funds

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

These funds are as follows:

	Retirement fund £	Education fund £	2022 Total £
At 1 August 2021	2,000,000	5,900,000	7,900,000
Designated in the year	170,000	—	170,000
Released in the year	—	(1,070,000)	(1,070,000)
At 31 July 2022	2,170,000	4,830,000	7,000,000
	Retirement fund £	Education fund £	2021 Total £
At 1 August 2020	2,000,000	5,000,000	7,000,000
Designated in the year	—	900,000	900,000
At 31 July 2021	2,000,000	5,900,000	7,900,000

15 Designated funds (continued)

Retirement fund

The retirement fund comprises assets which the trustees have set aside in order to provide for the sisters as they grow older. The amount of the fund had been calculated using actuarial principles, whilst having regard to the resources actually available.

Education fund

The trustees have established the education fund to provide income to be applied towards bursaries and scholarships, as described in the trustees' report.

16 Analysis of net assets between funds

	Tangible fixed assets fund £	Designated funds £	General funds £	Total funds 2022 £
Tangible fixed assets	273,133	—	—	273,133
Listed investments	—	7,000,000	332,235	7,332,235
Net current assets	—	—	135,669	135,669
	273,133	7,000,000	467,904	7,741,037

	Tangible fixed assets fund £	Designated funds £	General funds £	Total funds 2021 £
Tangible fixed assets	273,411	—	—	273,411
Listed investments	—	7,900,000	305,109	8,205,109
Net current assets	—	—	157,293	157,293
Creditors: amounts falling due after one year	—	—	(20,000)	(20,000)
	273,411	7,900,000	442,402	8,615,813

The total unrealised gains as at 31 July 2022 constitute movements on revaluation and were as follows:

	2022 £	2021 £
Unrealised gains on listed investments included above:		
Total unrealised gains at 31 July 2022	680,070	1,554,968
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 August 2021	1,554,968	789,778
Less: in respect to disposals in the year	(579,550)	(317,985)
Add: net (losses) gains on revaluation arising in the year	(295,348)	1,083,175
Total unrealised gains at 31 July 2022	680,070	1,554,968

17 Related party transactions

Trustees

Four of the trustees who served during the year are members of the Institute and have no 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 £21,335 (2021: £21,035).

Others

The charity shares common control with the Louis Lafosse Educational CIO (Charity Registration No 1177782). Both entities have the same trustees and transactions between them are deemed related party transactions.

During the year, the charity authorised a donation of £130,000 (2021: £60,000) to the Louis Lafosse Educational CIO. At 31 July 2022, the charity owed the Louis Lafosse Educational CIO £Nil (2021 - £10,000) (note 12). At 31 July 2022, Louis Lafosse Educational CIO owed the charity £3,000 (2021: £nil) (note 11).

There were no other related party transactions during the year the current or the previous year.

18 Membership, ultimate control and liability of members

The Congregational Leader for the time being is automatically, by virtue of holding that office, is ex-officio the sole member of the charity for as long as she holds office.

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

SISTERS OF CHRISTIAN EDUCATION CIO

England & Wales - Charity number 1177158

Accounts

**Sisters of Christian
Education CIO**

Annual Report and Accounts

31 July 2021

Charity Registration Number 1177158

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Reference and administrative information 31 July 2021

Trustees	Sister Mary Dawson RCE Sister Elizabeth McCormack RCE Sister Cara Nagle RCE Sister Rosemary O'Looney RCE Cdr Anthony John Woolston (CDipAF)
Provincial Superior	Sister Rosemary O'Looney RCE
Provincial Bursar	Sister Cara Nagle RCE
Principal address	2 Woodland Crescent Farnborough Hampshire GU14 8BF
Charity registration number	1177158
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	National Westminster Bank plc PO Box 41 1 Queensmead Farnborough Hampshire GU14 7YS
Investment managers	Charles Stanley & Co Limited 25 Luke Street London EC2A 4AR Investec Wealth & Investment Limited 2 Gresham Street London EC2 7QP
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

Reference and administrative information 31 July 2021

Property consultants	Savills plc 244-246 High Street Guildford GU1 3JF
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Trustees' report 31 July 2021

The trustees present their report together with the accounts of the Sisters of Christian Education CIO (the “charity” or the “CIO”) for the year to 31 July 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 and 30 and comply with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The principles set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

The Sisters of Christian Educational CIO is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission (Charity Registration Number 1177158) and governed by a Constitution dated 14 February 2018.

Principal activities, objectives and aims

The Institute of Christian Education (the Institute) is a Roman Catholic Religious Institute founded in Échauffour, Normandy in 1817. The Institute is international, operating in England, Ireland, France and America. The Generalate is based in Paris. The Institute is governed by its own constitution.

The assets of the Institute in United Kingdom were, until 31 July 2019, held by the unincorporated charity Educating Children In The Roman Catholic Faith Administered in Connection With the Institute Of Christian Education And Other Roman Catholic Purposes, commonly known as the Institute of Christian Education Charitable Trust (Charity Registration Number 244663) (the “charitable trust”).

The CIO was set up to continue the religious and certain educational work of the charitable trust. With effect from 1 August 2019 certain assets, liabilities and activities of the unincorporated charity were transferred to the CIO.

The objects of the CIO are the advancement of the Roman Catholic religion through the religious and other charitable work of the Institute, and aiding or promoting the advancement of the education of children in accordance with the principles and doctrines of the Roman Catholic religion, in particular by, but not limited to, the support of schools and other educational establishments that are conducted in accordance with the principles and subject to the regulations and discipline of the Roman Catholic Church, as the trustees with the approval of the Provincial Superior shall from time to time think fit.

Mission

By caring for individual members of the Institute throughout their lives with 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 wide variety of religious and other charitable works.

The religious and charitable works of individual members of the Institute can be divided into the following principal areas: education, worship and prayer, the social and pastoral work of the sisters and the support of overseas missionary work.

Mission (continued)

The trustees of the charity aim to support all charitable, social and pastoral works being carried out by members of the Institute. These ministries carried out by the sisters all benefit members of the public.

Public benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit in reviewing the charity's aims, objectives and future plans. Details of how the charity fulfils this responsibility are given above and in the activities and objectives section below.

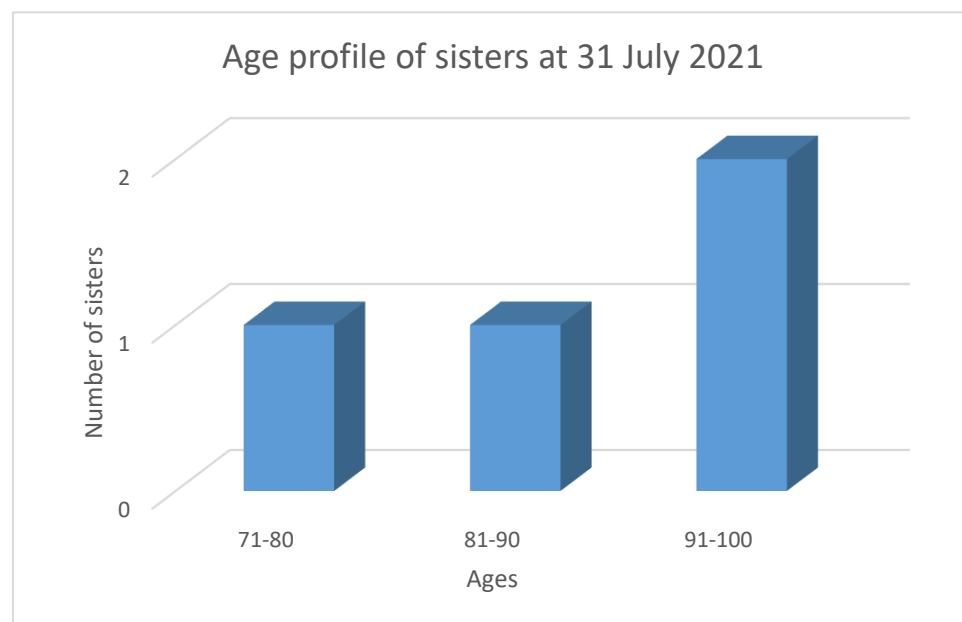
Activities and objectives

An overview of activities

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.

1. Caring for members of the Institute

In common with many religious institutes in the United Kingdom, the age profile of the members of the Institute is increasing as existing members grow older and the number of new vocations becomes minimal.



Activities and objectives (continued)

An overview of activities (continued)

1. *Caring for members of the Institute* (continued)

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 a significant part of their lives to the education of the young, the care of the elderly, poor and marginalised in society. As the age profile of the Institute increases, so too does the need to provide increasing and increasingly expensive care to the sisters. At present three of the members of the Institute are receiving care in nursing homes. The trustees are giving careful consideration to the impact of this on the work of individual members of the Institute, the property requirements of the Institute and the financial implications. In this regard, the objectives of the trustees of the charity over the current year are summarised below. All of these objectives will continue to be applicable for the next few years also.

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Reviewing the properties used as community houses and assessing their suitability as homes for the elderly and frail. Work has been ongoing on this and it is hoped that two properties in Farnborough will be sold in 2022.
- ◆ Enabling all members of the Institute to continue with their individual ministries for as long as possible.

2. *Enabling and supporting members in a variety of religious and charitable works*

The religious and charitable works of individual members of the Institute can be divided into the following principal areas: education, worship and prayer, the social and pastoral work of the sisters and the support of overseas missionary work. Due to the small number of members, most of this work is now carried on through financial support for projects that are in line with the objects of the charity. The areas supported included:

- ◆ Education
- ◆ Programmes to help recovery from addiction and homeless
- ◆ Programmes for the rehabilitation of refugees and those affected by human trafficking
- ◆ Overseas development programmes
- ◆ Skills development and art/music therapy sessions for people with disabilities

Covid-19 restrictions did impede some of the charitable work. However, the provision of financial aid was still possible.

Activities and objectives (continued)

An overview of activities (continued)

2. *Enabling and supporting members in a variety of religious and charitable works* (continued)

Education

The charity was able to support both the education of young sisters and brothers as well as other students. Four of the organisations helped express what a difference this support has meant for them and their organisations as follows:

"Due to the generosity of the Sisters of Christian Education we have been able to support various training programmes for sisters in our missions overseas. This includes upgrading the original nursing and teaching qualifications held by individuals so that they can continue running our schools and hospital serving the poor and needy. The donation has also helped to train sisters as formators so that they in turn enable others to become committed members of our Congregation and carry on the work of caring and education." Benedictine Sisters of Grace and Compassion

"As you know we are now a very young community. The funds you have given us will help us particularly in the education of the young monks. In this we are able to continue the good work of Christian education which is at the heart of your charism." Benedictine Community at St Michael's Abbey Farnborough

"These funds are most welcome as we continue to provide educational courses leading to higher education qualifications in Philosophy, Youth Leadership and Theology as well as helping to grow in their faith through our shorter courses." Mary Vale Institute

"The charity is currently supporting three full-time PhD students in the Dept of Theology and Religion at Durham University with their full home rate tuition fees and maintenance at the UK Research Council's national rate. The Lafosse Scholars have made time to introduce themselves to the Sisters via Zoom sessions facilitated by the CCS, explaining how the scholarships have enabled their ongoing study, updating them on their research, and expressing their heartfelt gratitude." Centre for Catholic Studies, Durham University.

Worship and prayer

Members of the Institute are given the opportunity for private worship and public worship and to continue to develop their knowledge and trust in Jesus Christ and the Church through quiet prayer, study of the Gospel and spiritual development. Members of the Institute celebrate and pray with the wider community including people of all faiths and none. The sisters are available to listen to people in times of need and pray with the housebound. They support the Farnborough Hill School community by regular attendance at school Liturgical celebrations.

Activities and objectives (continued)

An overview of activities (continued)

2. *Enabling and supporting members in a variety of religious and charitable works* (continued)

Worship and prayer (continued)

The following is an extract from the Sisters' Constitution on the section on Prayer:

'Prayer is an expression of our central relationship with God and with others. Each one is responsible for the nourishment of her faith through meditating the Scriptures, studying the teachings of the Church and spiritual reading.

Ecumenical exchanges invite us to widen our prayer and reflection.'

Social and pastoral work

A member of the Institute is involved in various forms of social or pastoral work in Farnborough and surrounding towns including:

- ◆ Supporting in the local parish
- ◆ Visiting the elderly, the housebound, the bereaved and those who need encouragement and support.
- ◆ Pastoral care/visiting hospitals and nursing homes.
- ◆ Involvement in parish activities.

Volunteer

One member is involved in administering the work of the Institute and charity - without this contribution the charity would not be able to function as effectively or fully as it does.

Details of the areas in which the members gives their time are shown in the table below. Due to the Covid 19 pandemic some activities were limited. However, some restrictions were overcome with the use of social media.

Area
Education
General Parish support
Hospital visiting
Housebound visiting
Working with other groups/ organisations
Administration

There were a total of 4 sisters in the Institute during the year, of which three are resident in nursing homes.

Financial review

Results for the year

A summary of the charity's results for the year can be found on page 23 of this report and accounts.

During the year to 31 July 2021, income amounted to £294,606 (2020 - excluding the funds transferred from the charitable trust income amounted to £308,471). Of the income, a total of £93,306 (2020 - £95,720) was received by way of donations. This figure includes salaries and pensions of the sisters amounting to £93,056 (2020 - £95,445) covenanted to the charity. Investment income and interest receivable totalled £201,200 (2020 - £212,501). The funds transferred from the charitable trust to the charity on 1 August 2019 were £8,579,653 (note 17).

Expenditure for the charity totalled £556,162 (2020 - £554,538). Expenditure incurred on supporting the members of the Institute and their pastoral work and ministry amounted to £281,560 (2020 - £329,313). Grants and donations amounted to £229,115 (2020 - £180,353). Further details of grants and donations are provided in note 4 to the accounts. Expenditure on investment management fees was £45,487 (2020 - £44,872).

Net expenditure of the charity before investment gains was £251,556 (2020 - £8,333,586 before investment losses and after the transfer from the charitable trust). Investment gains for the year amounted to £1,139,526 (2020 - losses £595,743), resulting in net income and a net increase in funds of £877,970 (2020 - £7,737,843).

Investment performance

The investment managers continue to be guided by the trustees' investment policy set out on page 16 of this report and comply with the ethical guidelines given to them.

The market value of listed investments increased during the year in line with the performance of world markets as they recovered from the initial impact of the Covid-19 pandemic. Total investment income from listed investments was £201,200 (2020 - £212,416).

The trustees continue to take a long-term view and believe their investment policy continues to be applied and remains appropriate.

Reserves policy and financial position

The trustees consider that, given the nature of the charity's work, the level of free reserves should be sufficient to generate enough income to cover approximately one year's on-going expenditure and to provide for contingencies, unevenness in future income and volatility in the value of investments. 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 continuing Covid-19 pandemic.

Financial review (continued)

Reserves policy and financial position (continued)

At the date of the balance sheet, the trustees consider that the level of free reserves were adequate but not excessive given the inherent volatility on world stock markets at the current time and given the discernment process being undertaken in respect to future property needs. In particular, the level of reserves is deemed sufficient when considered in the light of the uncertainties arising due to the continuing Covid-19 pandemic.

The charity's balance sheet shows that at 31 July 2021 funds totalled £8,615,813 (2020 - £7,737,843). Of this £273,411 (2020: £273,781) is represented by tangible fixed assets used to support the work of the sisters and, therefore, cannot be easily realised if needed to meet future contingencies.

A further £2 million (2020: £2 million) represents a retirement reserve designated to provide an income to maintain the sisters as they grow older. A further £5,900,000 has been designated as an Education Fund. Further details of designated funds are given in note 15 to the accounts.

Therefore, reserves which are available to support the sisters and their work in the future are shown on the balance sheet as general funds and amount to £442,402 (2020: £464,062). This figure needs to be considered in the light of annual expenditure of approximately £560,000, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Institute, both in this country and overseas.

The sisters are also aware of the importance to the charity of the investment assets and the income generated therefrom. Given the low interest rates, there is a real need to retain monies to enable the long-term financial stability of the charity. The trustees consider that the level of free reserves of the charity is adequate but not excessive and will enable them to pursue successfully their charitable objectives.

Tax exemptions etc.

The beneficiaries of the work of the charity have the assurance that all of the income of the charity must be applied for charitable purposes in furtherance of their objects. The charity enjoys tax exemption on income and gains provided these are applied for its charitable aims. The charity is also entitled to a reduction of 80% on business rates on the property it occupies for its charitable purposes, and a 50% reduction in Council Tax for its properties that are occupied by members of the Institute. The financial benefits received as a result of these exemptions are all applied for the purposes of furthering the Roman Catholic faith by enabling and supporting the sisters to live out their faith and to put that faith into practice through a wide variety of religious and other charitable works.

The nature of activities means that the charity is unable to reclaim VAT input tax on its costs as it is exempt for VAT purposes. The charity also pays tax as an employer through the national insurance contributions it makes.

Financial review (continued)

Fixed assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Future plans

The trustees plan that the work of the charity will continue without any significant change in the short term.

It is the intention of the trustees of the charity to continue to respond to the needs of the times and fulfil public benefit and to meet the objectives of caring for members of the Institute and to support the charitable work of the sisters for the foreseeable future.

Therefore, the objectives of the trustees of the charity include:

- ◆ Ensuring all members of the Institute receive the high level of care they require to provide them with the quality of life they have a right to expect;
- ◆ Enabling all members of the Institute to continue with their individual ministries, as far as they are able, given their limitations of age and health; and
- ◆ Paying due heed to the impact of the continuing Covid-19 pandemic and its consequences, both socially and economically.

Governance, structure and management, and relevant policies

Governance

In terms of Canon Law, the Institute of Christian Education is governed by its own constitution, under the direction of the Institute Leader and the General Council who are based in the central office in France. The Leadership Team is elected every five years at a General Chapter, i.e. a meeting of elected delegates representing all the sisters worldwide. The Province of England and Ireland is directed by the Provincial Leader and her Council of two sisters who are appointed by the General Council. The Provincial Council appoints a Provincial Bursar. Members of the Provincial Council are appointed for their understanding, experience and knowledge of the needs of the Province. The Council visits the sisters on a regular basis and supports the sisters in their ministries. The Institute Leader and her Council visit all the sisters in the Province at least once in every five years.

The charity is a Charitable Incorporated Organisation (CIO), governed by a Constitution and registered with the Charity Commission on 14 February 2018.

The Provincial Superior for the time being is automatically, by virtue of holding that office, ex-officio the sole member of the charity for as long as she holds office. If the charity is wound up, the member of the charity has no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

The names of the current trustees are given on page 1 of this document. At any time, there must be a minimum of three trustees. The Provincial Superior for the time being is automatically, ex-officio, a trustee for as long as she holds that office. All other trustees are appointed by a resolution in writing by the Provincial Superior. Trustees are appointed for a term of three years.

In selecting individuals for appointment, the Provincial Superior will have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Four of the trustees have been vowed members of the Institute for over 40 years. All of them have served the Institute in various capacities in education (secondary and adult, special needs, catechetics and family support); legal affairs; social care and prison chaplaincy; and assisting homeless people, refugees and asylum seekers. These trustees have been in senior administrative roles in the Institute. They are fully aware of everything pertaining to the charity and are responsible for organising personal development opportunities, assemblies and meetings where all the important decisions for the charity are made.

The fifth trustee, a lay person, has been associated with the sisters for several years and has provided professional support to the community in the past.

On being appointed, new trustees undergo induction and training in the roles and responsibilities of their office. Every year some trustees attend training courses necessary to keep themselves updated with new legislation governing trustees. During the year, the following sessions were attended:

- ◆ Trustee training and webinars with selected investment managers
- ◆ All trustees attended the audit clearance meeting at Buzzacott LLP, which included an input on trustee responsibilities
- ◆ Trustee training at Stone King LLP, solicitors
- ◆ Meeting of Religious Orders involved in Education
- ◆ Safeguarding training
- ◆ Religious Bursars' Conference
- ◆ Webinars on Ecology and Laudato Si and Fratelli Tutti
- ◆ Webinar on divesting from fossil fuels
- ◆ Self Audit Training for Communities and Church bodies
- ◆ Webinars on ethical investing and the impact of Covid-19 on investments
- ◆ Charity Commission Annual Public Meeting
- ◆ Charities Regulator Training Day
- ◆ Meeting with investment managers

Governance, structure and management, and relevant policies (continued)

Governance (continued)

Meetings with the Conference of Religious Safeguarding North London Network Group are regularly attended.

The trustees try to ensure that important information is shared not just among trustees but throughout the charity.

An important meeting each year is when the trustees meet with the auditor to discuss the annual report and accounts. All the trustees attend this meeting if at all possible as well as the person responsible for meeting with investment managers. The meeting is of great benefit to the trustees and every effort is made to implement the advice and comments of the auditor.

Four of the trustees are members of the Institute and as such their living and personal costs during the year were borne by the charity. The trustees receive neither remuneration nor reimbursement of expenses in connection with their duties as trustees or key management personnel.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office at the year end are given below.

◆ *Sister Mary Dawson*

Sister Mary Dawson became a member of the Institute in 1962. After graduating with a BA degree and a Diploma in Higher Education she taught for a number of years in Farnborough Hill (an independent Roman Catholic day school for girls age 11 – 18 years) before her appointment as Head of the School. She held this position for twelve years. She was subsequently elected as Congregational Leader. She held this position for ten years and having completed her mandate she pursued studies in Pastoral Leadership. She worked for eight years as a Prison Chaplain and is currently working as a counsellor in an inner city counselling centre. She also trained in Advocacy and facilitates meetings on a regular basis with residents of a nursing home. Her training and leadership experiences are invaluable in her current role as a trustee of the charity and a member of the Provincial Council.

◆ *Sister Elizabeth McCormack*

Sister Elizabeth McCormack became a member of the Congregation in 1964. Having completed training as a teacher at Southampton University, she became a member of the community and teaching staff in Farnborough Hill (an independent Roman Catholic day school for girls age 11 – 18 years). She taught History and Religious Studies for eighteen years and held the position as Head of the school from 1988-1996. Following this, she retrained in Pastoral Counselling at Loyola University, Chicago. On her return to England she was appointed manager of Kairos Community Trust, Peckham. She served in this role for twelve years working with the homeless and those suffering from addictions. She has maintained strong links with Farnborough Hill and has served as a Governor and Chair of Governors for several years. All these past experiences of training, leadership and management are invaluable in her current role as a trustee of the charity and as a member of the General Leadership Team.

Governance, structure and management, and relevant policies (continued)

Governance (continued)

◆ *Sister Cara Nagle*

Sister Cara Nagle became a member of the Institute in 1976 having completed studies as a civil lawyer in University College, Cork. She subsequently trained as a teacher of English and Religious Studies. She taught for nine years in Our Lady's School, Dublin, for secondary students. She served as Provincial of the Anglo-Irish Province from 1990 to 1998. Following this, she re-trained in Pastoral Ministry and worked as a hospital chaplain. She was elected Congregational Leader in 2003 serving ten years in this role. These past experiences provide a significant background to her current roles as Provincial Bursar for the Anglo-Irish Province and as a trustee of the charity.

◆ *Sister Rosemary O'Looney*

Sister Rosemary O'Looney became a member of the Institute in 1966. She completed Teacher Training in 1971 at Roehampton University, London. She taught in Dublin from 1971-1974 and was acting Head of the School from 1973-1974. In 1974 she was appointed Head of a Boarding School for girls in Co. Wicklow, Ireland, and held this position until the school closed in 2005. She has held various roles of Leadership in the Province and is currently Provincial of the Anglo-Irish Province having been appointed to this role in 2007. All of this experience is enormously beneficial to her current role as a trustee of the charity.

◆ *Cdr Anthony Woolston*

Anthony Woolston retired as a Commander, Royal Navy in 2000 after 32 years' service, having attained an ACCA Certified Diploma in Accountancy and Finance (CDipAF) the year before. He successfully applied for the post of School Bursar at Farnborough Hill and was appointed in December 2000. He served in that position for 14 years before retiring for a second time. During the period that the charitable trust was engaged in a project with a view to develop a retirement facility, he acted as Company Secretary and a Director of the charity's subsidiary company. He accepted the offer to become a Trustee of the charity on 26 May 2018.

Key management personnel

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

Four of the trustees are 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, have been borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as a trustee.

Governance, structure and management, and relevant policies (continued)

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They have met regularly to review developments with regard to the charity or its activities and make any important decisions. They have been assisted in their tasks by professional advisers who have provided advice and support in areas of property, investments, accounting and legal matters. There is a lay person who has been responsible for finance and secretarial matters. The lay secretary possesses no executive authority.

At least three trustee meetings are normally held in a year. All trustees endeavour to meet annually with the auditor and investment managers.

Trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the 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 income and expenditure 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 of Accounting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions with reasonable accuracy and disclose at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's 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, and relevant policies (continued)

Risk management

The trustees recognise their responsibility for the management of risks faced by the charity and the sisters. The continuing impact of the Covid-19 pandemic has continued to give rise to challenges and threats to the well-being of our charity and its activities which could not have been foreseen.

We note the financial and operational effects of Covid-19 earlier in this report. Over and above these, four designated areas have been identified and delegated to various trustees. These areas are: governance and strategic risk; environmental; operational; and financial. The trustees work to develop and to put in place a policy which understands the risks the charity faces and that seeks to learn to adapt to meet new challenges.

The trustees are satisfied that systems are in place to mitigate any exposure to the major risks.

The main long-term risk facing the charity is that it may not be able to meet all of the costs of caring for sick and/or elderly sisters. This, in general, is not a risk that can be avoided. Prudent management of funds will be exercised, and properties may provide a potential source of funding should activities contract in the long term. This risk becomes more acute as the sisters become more dependent. The trustees review the finances and personnel regularly and have concluded that a level of funding of £2,000,000 to care for elderly sisters set aside as a designated fund is appropriate. This allows the trustees to plan the finances for the required care for the sisters.

As with all organisations serving in the community, the trustees recognise the necessity of ensuring the protection and safety of all those the charity serves. Therefore, a sister has been appointed to implement within the charity, the policies and procedures of the Catholic Safeguarding Standards Agency, (a new organisation set up by the Catholic Church in England and Wales to oversee the protection of children and vulnerable adults in all Catholic Institutions and organisations). This sister regularly attends sessions to keep herself updated. Where it applies, sisters, employees and volunteers have had clearance from the Disclosure and Barring Service. Trustees and staff are updated on developments within the CSSA .

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 regularly with the investment managers and the managers' 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 their investment managers and, whilst there are concerns over the volatility 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.

During each year the trustees coordinate an updated review of risk including matters of health and safety and risk assessment. This is done in conjunction with the health and safety advice from the charity's insurance brokers. The results are communicated to the sisters and staff.

Governance, structure and management, and relevant policies (continued)

Investment policy

The charity has discretionary investment management agreements with Investec Wealth & Investment Limited and Charles Stanley & Co Limited.

The trustees receive a report and valuation every three months and meet at least once a year with each of the investment managers. They ensure that each portfolio is managed in accordance with their written guidelines and with the religious and ethical principles of the charity. Acceptable investments, mostly equities, are chosen so that through the relevant companies' activities people's lives will be enhanced, natural resources will be used responsibly and all of creation will be respected.

The investment strategy takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised from time to time. There is also an Ethical Policy precluding investment in any company which, after reasonable enquiry, clearly has significant profits from an activity which is contrary to the objectives of the Roman Catholic Church.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Institute as appropriate.

Whilst the trustees have given occasional support to United Kingdom organisations whose work is within the objects of the charity, the charity does not regard itself as grant making entity and applications for grants and donations are not invited.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The trustees take care with both the tone of communications and the accuracy of data to minimise the pressures on supporters. They apply best practice to protect supporters' data and never sell data, never swap data and ensure that communication preferences can be changed at any time. They manage their own fundraising activities and do not employ the services of professional fundraisers. They undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and so improve service. During the year, the charity received no complaints about its fundraising activities.

Governance, structure and management, and relevant policies (continued)

Working with other organisations

The charity has worked closely with a number of other charities and public bodies which work in the field of providing education and providing care to the vulnerable and those requiring support. In some instances sisters are, or have been, employed by these organisations; whilst in other instances the relationships are more informal. In all cases, working together with other charities and public bodies has enhanced communication and understanding thus enabling services to the elderly and other people to be provided more efficiently and effectively and avoiding duplication of effort. Examples of the organisations for which members have worked and with which the charity has cooperated during the year are as follows:

- ◆ Medaille Trust
- ◆ St Michael's Abbey
- ◆ Aisling Project
- ◆ The Little Way Association
- ◆ The Mumbai Salesians Society (via Salesians, Thornleigh House, Bolton)
- ◆ St Barnabas Society
- ◆ Benedictine Sisters of Our Lady of Grace and Compassion
- ◆ Community Kairos Trust
- ◆ Mission

Employees, volunteers, and members of the Institute

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

Approved by the trustees and signed on their behalf by:

Elizabeth McCormack RCE

Trustee

Approved by the trustees on: 21st February 2022

Independent auditor's report to the trustees of the Sisters of Christian Education CIO

Opinion

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

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 July 2021 and of the 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 charity's accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with 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
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and the review of minutes of meetings of the trustees.

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

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

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

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Gained an understanding of the processes in place for the management of the charity's investments and confirmed the validity of investment movements; 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:

- ◆ Reviewing the minutes of meetings of trustees;
- ◆ Enquiring of management as to actual and potential litigation and claims; and
- ◆ Agreeing accounts disclosures to underlying supporting documentation.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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

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

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

Independent auditor's report 31 July 2021

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and 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

10 March 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 July 2021

	Notes	2021 £	2020 £
Income from:			
Donations	1	93,306	95,720
Investments and interest receivable	2	201,200	212,501
Other sources		100	250
		294,606	308,471
Transfer from Institute of Christian Education Charitable Trust (Charity Registration No: 244663) (see below)	17	—	8,579,653
Total income:		294,606	8,888,124
Expenditure on:			
Raising funds			
. Investment management fees		45,487	44,872
Charitable activities			
. Support of members of the Institute and their ministry	3	281,560	329,313
. Grants and donations	4	229,115	180,353
Total expenditure		556,162	554,538
Net (expenditure) income for the year before net investment gains (losses)	6	(261,556)	8,333,586
Net investment gains (losses)	10	1,139,526	(595,743)
Net income and net movement in funds		877,970	7,737,843
Reconciliation of funds:			
Fund balances brought forward at 1 August 2020		7,737,843	—
Fund balances carried forward at 31 July 2021		8,615,813	7,737,843

All income and expenditure of the charity is in respect to unrestricted funds.

The charity's activities commenced on 1 August 2019. All of the charity's activities derived from continuing operations during both the above financial years.

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

Balance sheet 31 July 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		273,411		273,781
Investments	10		8,205,109		7,323,570
			8,478,520		7,597,351
Current assets					
Debtors	11	99,735		30,492	
Cash at bank and in hand		223,286		299,212	
		323,021		329,704	
Current liabilities					
Creditors: amounts falling due within one year	12	(165,728)		(139,212)	
Net current assets			157,293		190,492
Total assets less current liabilities			8,635,813		7,787,843
Creditors: amounts falling due after one year	13		(20,000)		(50,000)
Total net assets			8,615,813		7,737,843
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
. Tangible fixed assets fund	14		273,411		273,781
. Designated funds	15		7,900,000		7,000,000
. General funds			442,402		464,062
			8,615,813		7,737,843

Approved by the trustees and signed on their behalf by:

Elizabeth McCormack RCE

Trustee

Approved on: 21st February 2022

Statement of cash flows Year to 31 July 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(486,354)	(534,843)
Cash flows from investing activities:			
Investment income and interest received		152,441	203,431
Proceeds from the disposal of investments		1,785,754	3,028,936
Purchase of investments		(1,906,357)	(2,307,612)
Net cash provided by investing activities		31,838	924,755
Change in cash and cash equivalents in the year		(454,516)	389,912
Cash transferred from the Institute of Christian Education Charitable Trust (Charity Registration No. 244663)		—	369,725
Cash and cash equivalents at 1 August 2020	B	759,637	—
Cash and cash equivalents at 31 July 2021	B	305,121	759,637

Notes to the statement of cash flows for the year to 31 July 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)	877,970	(841,810)
Adjustments for:		
Depreciation charge	370	494
Investment (gains) losses	(1,139,526)	595,743
Investment income and interest receivable	(201,200)	(212,501)
Increase in debtors	(20,484)	(15,755)
Decrease in creditors	(3,484)	(61,014)
Net cash used in operating activities	(486,354)	(534,843)

B Analysis of changes in cash and cash equivalents

	At 1 August 2020	Cash flows	At 31 July 2021
Cash at bank and in hand	299,212	(75,926)	223,286
Cash held by investment managers	460,425	(378,590)	81,835
Total cash and cash equivalents	759,637	(454,516)	305,121

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

Principal accounting policies 31 July 2021

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

Basis of preparation

These accounts have been prepared for the year to 31 July 2021 with the comparatives for the year to 31 July 2020.

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

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

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

- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ the assumptions applied in determining the size of the retirement reserve, created in order to provide for the continuing care of the members of the Institute;
- ◆ determining the assumptions adopted by the trustees in determining the value of any other designations required from the charity's general unrestricted 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 acknowledge and recognise the continuing impact of the Covid-19 pandemic on the charity and have concluded that there will continue to be some negative consequences such as the impact on investment income. However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Principal accounting policies 31 July 2021

Assessment of going concern (continued)

The charity's investment income may be adversely affected because of the volatility in listed investments as stock markets have reacted to the pandemic and the impact of the pandemic on the commercial sector in particular. In terms of expenditure, it is anticipated that there may be a rise in living expenses due to rise in cost of living but such increases will be offset by reductions in other costs. The trustees will continue to keep both income and expenditure under review but do not anticipate that the impact on the charity's finances will be material or impact on the charity's going concern.

With regard to the next accounting period, the year ending 31 July 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment market. This is particularly relevant at the current time given the Covid-19 pandemic and its impact on world stock markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, investment income and interest receivable 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.

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

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

Income from other sources 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. All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible.

Principal accounting policies 31 July 2021

Expenditure recognition (continued)

Expenditure on raising funds comprises investment management fees incurred by the charity.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities and includes:

- ◆ Expenditure on the support of members of the Institute. Such expenditure enables the members to carry out the work of the charity in the areas of the advancement of the Roman Catholic faith, the relief of poverty and supporting the other charitable activities of members of the Institute.
- ◆ Grants and donations to support the Institute's own work overseas and to support other charitable organisations with objectives consistent with those of the charity 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 donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

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

All expenditure on support and governance is allocated to charitable activities of care of members of the Institute as any such costs in relation to the provision of donations and grants is considered minimal.

Tangible fixed assets

All assets costing more than £2,500 and with an expected useful life exceeding one year are capitalised.

- ◆ Freehold land and buildings
Freehold land and buildings are included on the balance sheet at cost.

Freehold land and buildings comprise buildings designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, who are satisfied that their residual value is not materially less than their book value.

Principal accounting policies 31 July 2021

Tangible fixed assets (continued)

- ◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated at 25% per annum, based on the estimated useful life of the asset, on a reducing balance basis.

- ◆ Motor vehicles

Motor vehicles are capitalised and depreciated at 25% per annum, on a reducing balance basis, in order to write off the cost of each vehicle over its estimated useful life.

An impairment review in respect to a particular class of asset is carried out if events, or changes in circumstances, indicate that the carrying amount of any tangible fixed asset may not be recoverable.

Fixed asset 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.

Principal accounting policies 31 July 2021

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 designated certain amounts for specific purposes and have identified those non-liquid funds represented by tangible fixed assets. Details of these funds are given in notes 14 and 15 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.

Pensions

The charity contributes to a personal pension plan of an employee and contributions are charged to the statement of financial activities in the year in which they are payable to the plan.

Notes to the accounts 31 July 2021

1 Income from: Donations

	2021 £	2020 £
Salaries and pensions of individual religious received under Gift Aid or Deed of Covenant	93,056	95,445
Other donations	250	275
	93,306	95,720

2 Income from: Investments and interest receivable

	2021 £	2020 £
Income from listed investments		
. UK equities	94,340	55,882
. Overseas equities	29,090	68,356
. UK unit trusts	—	37,908
. UK fixed interest securities	47,528	6,916
. Overseas fixed interest securities	464	43,354
. Alternatives	29,778	—
	201,200	212,416
Interest receivable		
. Interest on bank and short-term deposits	—	85
	201,200	212,501

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

	2021 £	2020 £
Staff costs (note 7)	32,894	31,910
Premises	57,932	54,388
Sisters' living and personal expenses	19,573	25,536
Support of aged sisters in nursing homes	123,890	139,575
Motor and travelling expenses	3,677	10,247
Depreciation	370	494
Education, training and spiritual renewal	4,368	5,962
Funeral expenses	—	4,236
Medical expenses	1,469	4,593
Support costs		
. Legal and professional fees	6,497	10,339
. Other support costs	11,799	10,040
. Governance costs (note 5)	19,091	31,993
	281,560	329,313

4 Expenditure on: Grants and donations

The charity makes grants and donations, principally in support of the advancement of education and other charitable causes which further the Christian faith and address social problems.

	2021 £	2020 £
Louis Lafosse Educational CIO (note 18)		
. to provide support to the educational work of the charity	60,000	70,000
Benedictine Sisters of Our Lady of Grace and Compassion		
. to provide support to novitiates	20,000	20,000
Farnborough Abbey		
. to support their charitable activities	30,000	30,000
The Aisling Project		
. to support their charitable activities	10,000	10,000
Catholic Agency for Overseas Development (CAFOD)		
. to support their charitable activities	5,000	5,000
Jesuit Refugee Centre		
. to support their charitable activities	10,000	10,000
Kairos Community Trust		
. to support efforts to address homelessness	10,000	10,000
The Little Way Association		
. to support their charitable activities	5,000	5,000
Maryvale Institute		
. to help with promoting Catholic learning	2,000	2,000
Medaille Trust		
. to support their charitable activities	5,000	5,000
Parity for Disability		
. to support disabled people	2,000	2,000
Salesians of Don Bosco		
. to support their charitable activities	1,500	1,500
The Society of St Peter the Apostle		
. to support their charitable activities	2,000	2,000
St Barnabas Society		
. to support their charitable activities	1,000	1,000
Thames Hospice		
. to help provide nursing and medical care	2,000	2,000
Centre for Catholic Studies, Durham University		
. to provide funds towards administration costs	60,000	—
Other donations (all less than £1,000)	3,615	4,853
	229,115	180,353

4 Expenditure on: Grants and donations (continued)

During the year to 31 July 2019, the trustees of the Institute of Christian Education Charitable Trust (the predecessor charity), awarded a grant of £150,000 to the Centre for Catholic Studies, part of the Department of Theology and Religion at Durham University (the Centre). The liability in respect to this grant was transferred to the charity under the transfer agreement. The grant is payable in three annual instalments of £50,000 each and is to be applied towards the funding of a student for research doctorate studies. £50,000 (2020: £100,000) of this grant is payable after the year end and is classified as a creditor in these accounts (note 12).

In addition to the above grant, the charity awarded an additional grant of £60,000 to the Centre to help towards administration costs. This grant is payable in three annual instalments of £20,000 each. £40,000 of this grant is payable after the year end and is classified as a creditor in these accounts (notes 12 and 13).

The charity's trustees have also communicated to the Centre that they plan to provide funding of a student for research doctorate studies for a further three years commencing in 2023. The commitment will be recognised as a liability only once a formal agreement has been signed in 2022 and the amount to be committed has been agreed.

5 Expenditure on: Governance costs

	2021 £	2020 £
Legal and professional fees	19,091	31,993

6 Net (expenditure) income for the year before net investment gains (losses)

This is stated after charging:

	2021 £	2020 £
Staff costs (note 7)	32,894	31,910
Auditor's remuneration (including VAT)		
. Statutory audit services		
.. Current year	16,200	16,200
.. Prior year (charitable trust)	—	2,508
. Other services (accounting, tax and payroll and advisory)	4,623	6,843
Depreciation	370	494

7 Staff costs, key management personnel and transactions with trustees

	2021 £	2020 £
Staff costs during the year were as follows:		
Wages and salaries	32,188	31,226
Pension costs	706	684
	32,894	31,910

There were 3 part time employees during the year (2020 – 3).

Social security costs for the charity were fully covered by the annual allowance provided by the government.

All staff costs relate to the support of the members of the Institute and their ministry.

No employees earned £60,000 per annum or more (including taxable benefits) during the year (2020 – none).

Key management personnel

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

Four of the charity's trustees were members of the Institute of Christian Education 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 trustees received any remuneration or reimbursement of expenses in connection with their duties as a trustee (2020 - none).

8 Taxation

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

Notes to the accounts 31 July 2021

9 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Furniture, plant and equipment £	Total £
Cost				
At 1 August 2020 and 31 July 2021	272,300	21,943	13,005	307,248
Depreciation				
At 1 August 2020	—	20,706	12,761	33,467
Charge for the year	—	309	61	370
At 31 July 2021	—	21,015	12,822	33,837
Net book values				
At 31 July 2021	272,300	928	183	273,411
At 31 July 2020	272,300	1,237	244	273,781

As permitted under FRS 102, the charity adopts a policy of not revaluing its tangible fixed assets.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

10 Listed investments

At 31 July 2021 listed investments comprised:

	2021 £	2020 £
Listed investments		
Market value at 1 August 2020	6,863,145	—
Transfer from the Institute of Christian Education Charitable Trust (Charity Registration No: 244663) (note 17)	—	8,180,212
Additions at cost	1,906,357	2,307,612
Disposals at book value (see below)	(1,729,403)	(3,403,829)
Net unrealised investment gains (losses)	1,083,175	(220,850)
Market value at 31 July 2021	8,123,274	6,863,145
Cash held by investment managers for reinvestment	81,835	460,425
	8,205,109	7,323,570
Cost of listed investments at 31 July 2021	6,568,306	6,073,367
Disposals at book value comprised of the following:		
	2021 £	2020 £
Proceeds	1,785,754	3,028,936
(Gains) losses	(56,351)	374,893
	1,729,403	3,403,829

Notes to the accounts 31 July 2021

10 Listed investments (continued)

Listed investments held at 31 July 2021 comprised the following:

	2021 £	2020 £
UK equities	2,583,907	2,292,423
Overseas equities	2,431,431	2,430,710
UK unitised funds	6,026	426,318
UK fixed interest securities	2,164,433	268,767
Overseas fixed interest securities	65,089	1,444,927
Alternatives	872,388	—
	8,123,274	6,863,145

At 31 July 2021 no individual holdings were deemed material in the context of the entire portfolio.

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

11 Debtors

	2021 £	2020 £
Investment income receivable	62,094	13,335
Prepayments	34,494	14,135
Accrued income	3,147	3,022
	99,735	30,492

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Expense creditors	730	729
Accruals	35,878	26,219
Grants payable (note 4)	70,000	50,000
Amounts due to Louis Lafosse Educational CIO (note 18)	10,000	10,000
Social security costs	350	404
Monies held on behalf of the Generalate of the Institute of Christian Education	48,770	51,860
	165,728	139,212

13 Creditors: amounts falling due after one year

	2021 £	2020 £
Grants payable (note 4)	20,000	50,000

14 Tangible fixed assets fund

	2021 £	2020 £
At 1 August 2020	273,781	—
Transfer from the Institute of Christian Education Charitable Trust (Charity Registration No: 244663) (note 17)	—	274,275
Net movement in year	(370)	(494)
At 31 July 2021	273,411	273,781

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. A decision was made to separate this fund from the general fund and other designated funds in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

15 Designated funds

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

These funds are as follows:

	Retirement fund £	Education fund £	2021 Total £
At 1 August 2020	2,000,000	5,000,000	7,000,000
Designated in the year	—	900,000	900,000
At 31 July 2021	2,000,000	5,900,000	7,900,000

Retirement fund

The retirement fund comprises assets which the trustees have set aside in order to provide for the sisters as they grow older. The amount of the fund had been calculated using actuarial principles, whilst having regard to the resources actually available.

Education fund

The trustees have established the education fund to provide income to be applied towards bursaries and scholarships, as described in the trustees' report.

16 Analysis of net assets between funds

	Tangible fixed assets fund £	Designated funds £	General funds £	Total funds 2021 £
Tangible fixed assets	273,411	—	—	273,411
Listed investments	—	7,900,000	305,109	8,205,109
Net current assets	—	—	157,293	157,293
Creditors: amounts falling due after one year	—	—	(20,000)	(20,000)
	273,411	7,900,000	442,402	8,615,813

The total unrealised gains as at 31 July 2021 constitute movements on revaluation and were as follows:

	2021 £	2020 £
Unrealised gains on listed investments included above:		
Total unrealised gains at 31 July 2021	1,554,968	789,778
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 August 2020	789,778	—
Transfer from the Institute of Christian Education Charitable Trust (Charity Registration No: 244663)		1,798,519
Less: in respect to disposals in the year	(317,985)	(787,891)
Add: net losses arising on revaluation arising in the year	1,083,175	(220,850)
Total unrealised gains at 31 July 2021	1,554,968	789,778

17 Connected charities

The trustees of the charity are also the trustees of Louis Lafosse Educational CIO (Charity Registration No: 1177782). Four of the trustees of the charity are trustees of the Institute of Christian Education Charitable Trust (Charity Registration No: 244663) (the charitable trust), the predecessor charity.

With effect from 1 August 2019, certain activities, assets and liabilities of the charitable trust were transferred as a going concern to the charity. Certain other assets and liabilities were transferred to Louis Lafosse Educational CIO (established 3 April 2018; Charity Registration No 1177782).

17 Connected charities (continued)

Details of the net assets and funds transferred are as follows:

	Sisters of Christian Education CIO £	Louis Lafosse Educational CIO £	Total £
Tangible fixed assets			
. Cost	316,728	—	316,728
. Depreciation	(42,453)	—	(42,453)
	274,275	—	274,275
Programme related investments	—	27,000	27,000
Fixed asset investments	8,327,994	—	8,327,994
Debtors	5,666	—	5,666
Cash at bank and in hand	221,943	100	222,043
Creditors			
. Amounts falling due within one year	(150,225)	—	(150,225)
. Amounts falling due after one year	(100,000)	—	(100,000)
	8,579,653	27,100	8,606,753

The net assets transferred were represented by the following funds:

	Sisters of Christian Education CIO £	Louis Lafosse Educational CIO £	Total £
Charitable funds			
. Tangible fixed assets fund	274,275	—	274,275
. Designated funds	7,830,000	27,000	7,857,000
. General funds	475,378	100	475,478
	8,579,653	27,100	8,606,753

18 Related party transactions

Trustees

Four of the trustees are members of the Institute and have no 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 £21,035 (2020: £21,018).

Others

The charity shares common control with the Louis Lafosse Educational CIO (Charity Registration No 1177782). Both entities have the same trustees and transactions between them are deemed related party transactions.

During the year, the charity authorised a donation of £60,000 (2020: £70,000) to the Louis Lafosse Educational CIO. At 31 July 2021, the charity owed the Louis Lafosse Educational CIO £10,000 (2020 - £10,000) (note 12).

Other than the transfer as at 1 August 2019 referred to in note 17, there were no other related party transactions during the year the current or the previous year.

19 Membership, ultimate control and liability of members

The Provincial Superior for the time being is automatically, by virtue of holding that office, is ex-officio the sole member of the charity for as long as she holds office.

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