

**Society of  
the Holy  
Child  
Jesus  
CIO**

**Annual Report and Accounts**

Period to 31 December 2020

Charity Registration Number  
1177555

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

<b>Trustees</b>	Sister Angela O'Connor (Chairperson) Sister Marguerite Bouteloup Sister Jenny Bullen Sister Eileen Crowley (appointed 1 May 2020) Sister Maria Dinnendahl Sister Judith Lancaster (appointed 1 May 2020) Sister Geraldine MacCarthy (resigned 1 May 2020) Sister Catriona McPhail Sister Carmel Murtagh Sister Jean Newbold (resigned 1 May 2020) Sister Celestina Oyidu Okwori Sister Anne Stewart  The trustees are incorporated under the Charities Act 2011
<b>Province Leader</b>	Sister Carmel Murtagh (until 1 May 2020) Sister Angela O'Connor (from 1 May 2020)
<b>Provincial Bursar</b>	Sister Angela O'Connor (until 1 May 2020) Sister Carmel Murtagh (from 1 May 2020)
<b>Principal office</b>	Provincial Offices 14-16 Norham Gardens Oxford OX2 6QB
<b>Website address</b>	<a href="http://www.shcj.org">www.shcj.org</a>
<b>Charity Registration Number</b>	1177555
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

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

**Investment managers**      Smith & Williamson Investment Management LLP  
25 Moorgate  
London  
EC 2R 6AY

Sarasin & Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London  
EC4M 8BU

James Hambro & Partners LLP  
Ryder Court  
14 Ryder Street  
London  
SW1Y 6QB

**Bankers**      Metro Bank  
4-5 Queen Street  
Oxford  
OX1 EJ

RBS  
7 Cambridge Crescent  
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## **Trustees' report** Period to 31 December 2020

The trustees present their statutory report and the accounts of the Society of the Holy Child Jesus CIO (the "charity") for the period from 1 September 2019 to 31 December 2020. The financial reference date of the charity has been amended to 31 December for administrative purposes.

The accounts have been prepared in accordance with the accounting policies set on pages 48 to 54 of the attached accounts and comply with the charity's constitution, applicable laws and requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### **Introduction**

The Society of the Holy Child Jesus (SHCJ) (referred to as the "Society") is an international Roman Catholic Religious Order of around 350 sisters worldwide, with a network of associates. It was founded in England in 1846 and the Generalate is now situated in Rome, Italy. The Society comprises three provinces, Europe, Africa and the Americas.

The accounts accompanying this report are the accounts of the charity through which the activities and net assets of the Congregation in England are administered. The charity is a Charitable Incorporated Organisation (CIO) and is governed by a Constitution dated 14 March 2018 and is registered under the Charities Act 2011 – Charity Registration No. 1177555.

### **Mission**

The object of the Society of the Holy Child Jesus CIO is to support the religious and other charitable works carried on by the Society and its members.

By caring for individual members of the Society throughout their lives with the Society, 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.

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

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

### ***Worship and prayer***

Members of the Society are given the opportunity for private prayer and continued spiritual and theological development. In addition, members celebrate and pray with the wider community including people of all faiths and none. They do this through the provision of spiritual guidance, being available to listen in times of need, through giving retreats and days of reflection as well as celebration of the liturgy through prayer groups and church services.

**Mission** (continued)

***Education***

Having previously been involved in teaching, particularly in schools founded by the Society, a number of sisters continue their involvement as governors and/or trustees in schools founded by the Society in England, Ireland and France. These schools are, or were under the auspices of, separate charities and outside the scope of these accounts. Donations are given to support programmes in schools that address the needs of vulnerable students.

***Human development, social and pastoral work***

Members of the Society are involved in various forms of human development, facilitation, social and pastoral work throughout the country, including support of families and elderly people and voluntary support work in hospitals. The sisters aim to help in particular poor and marginalised people in society regardless of their personal background, faith, gender or individual circumstances.

***Caring for members of the Society***

As well as maintaining retired members of the Society, many of whom are still active in a variety of ministries, the charity operates a care home, Apley Grange, in Harrogate for those members who require extra care. Apley Grange also cares for a small number of private residents.

***Grant making***

The charity accepts applications for grants from other charities and not for profit organisations. An annual Grant Making budget of £600,000 is approved by the trustees. The trustee's Grant Making policy is posted on the charity's website along with the principles the trustees apply when approving grants and the procedure for applying for a grant. The trustees have determined that the current priorities for support are Education, Environmental Justice, Social Justice, Anti-Trafficking, Refugees and Asylum Seekers. The Grant Making policy is reviewed regularly.

***Overseas Work of the Society***

In addition to its broader grant making activities, the charity supports the work of the Society in Nigeria, Ghana, Kenya and the USA. This is done through support of a Society wide strategic plan.

***Associates***

Associates are women and men who make a commitment to the Society and involve themselves in its spiritual and apostolic work. The trustees support the Associates in developing their ministry to the wider community and by enabling, wherever possible, their independent development.

**Mission** (continued)

***Hospitality***

All communities offer hospitality to some degree, whether it is welcoming occasional guests, providing accommodation for parish groups to meet, or providing a space where individuals may come to reflect and pray. The community at Norham Gardens, Oxford, offers this on a more organised basis.

**Activities, specific objectives and relevant policies**

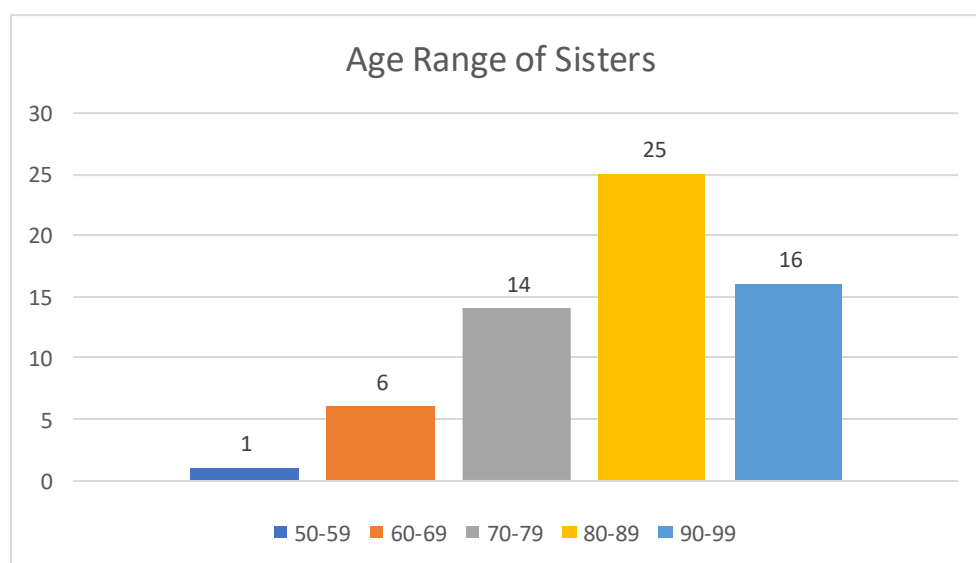
***Activities and specific objectives***

As stated above under 'Mission', the aims of the charity are to care for individual members of the Society throughout their lives with the Society and so to 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.

***Caring for members of the Society***

The age profile of members of the Society is increasing and women are no longer joining the Society in Europe. The Society has an obligation, both moral and legal, to provide care for its members, none of whom has resources of her own. All Society members have devoted their lives to educational, pastoral or social ministries particularly to those who are most in need. A number of sisters did (or do) not receive salaries or occupational pensions. Among these are sisters who have served in Africa, in administration, or in church or social ministries that depended on providing services at low or no cost. Consequently, this has implications for present and future use of funds.

The age profile of the Society in the European Province is shown graphically below:



The charity provides for all sisters irrespective of any pension income or lack of it. Earned income has become insignificant in the context of the accounts as a whole, because of retirement or sisters changing ministries. The charity is now substantially reliant on investment income to enable the sisters to continue in ministry.

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

***Caring for members of the Society*** (continued)

As the age profile increases so does the need to provide increasing, and increasingly expensive, care for the sisters; many of the older members are resident at Apley Grange Care Home in Harrogate and this will be the case for some years. The trustees give careful consideration to the impact of this situation on the work of individual members of the Society, on property requirements and on the financial implications.

The objectives of the trustees over the next few years in respect to the care of the sisters include:

- ◆ Providing support and care for all members of the Society, responding to the changing needs of the members of the Society;
- ◆ Maintaining Apley Grange and ensuring that quality care is provided in a manner that is financially sustainable;
- ◆ Enabling all members of the Society to continue in ministry for as long as possible; and
- ◆ Reviewing the properties owned by the charity and determining their suitability as homes as the sisters age. Where properties are deemed unsuitable for current needs, alternative accommodation will be found for the sisters.

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

The principal works in which the sisters engage include: worship and prayer; education in its widest sense of encouraging mature reflection on the needs of the present day and working with other groups to enact this; human development and spiritual and pastoral work; and care of the sisters.

***Worship and prayer***

The charity is committed to helping as many people as possible to join with the sisters in worship and prayer, with the aim of putting faith into action.

The objective of the trustees is to support sisters who are involved in a number of activities which include:

- ◆ Promoting Gospel values and vision including the promotion of human dignity, respect for different cultures and faith traditions;
- ◆ Encouraging care and respect for all creation, promoting prayer resources that focus on care of our common home;
- ◆ Engaging in parish ministries, catechesis, visiting the housebound, sick or dying;
- ◆ Organising retreats and reflection days which give members of the wider community the opportunity to have periods of time for quiet contemplation and reflection, and the chance to study and consider the Gospel; and
- ◆ Promoting the Associate programme which allows a wider group to share in the charism of the Society.

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

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

*Education*

The charity enables and supports the educational activities of its members. Sisters:

- ◆ Teach at tertiary level (Biblical Studies, Canon Law, Christian Ethics, and Pastoral Theology);
- ◆ Teach at primary level;
- ◆ Serve as governors of schools or colleges;
- ◆ Are involved in adult education including adult literacy programmes, the University of the Third Age (U3A) and Age-UK;
- ◆ Support a network of schools founded by the Society by means of an annual meeting of headteachers; and
- ◆ Support the educational work of local charities and NGOs working with vulnerable people by providing a space at the Society's premises in Oxford where they may hold training sessions.

*Human and spiritual development and pastoral work*

The charity owns and operates a Retreat and Conference Centre in Oxford, the Cherwell Centre, which comprises facilities for day conferences and meetings, and a number of en suite bedrooms for guests. The facilities include a small chapel, a comfortable sitting room, a library and a large spacious conference room. The facilities are used by parish, local and ecumenical groups as well as other charities.

In operating the Cherwell Centre the trustees aim to:

- ◆ Provide a space in which groups and individuals can reflect in a peaceful atmosphere;
- ◆ Encourage a sense of dignity and self-worth and promote a caring relationship and respect for others;
- ◆ Promote community education by providing a space that can be used by other charities;
- ◆ Provide a space that also supports the work of the charity by offering a meeting space for members of the Society; and
- ◆ Actively support the Cherwell Centre financially so that those who benefit by coming are not restricted because of their own economic constraints.

The charity aims to enable and support sisters in ministries which fulfil the Society's mission to help people to grow strong in faith and lead fully human lives.

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

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

*Human and spiritual development and pastoral work* (continued)

The following are examples of the work done by Sisters in this category:

- ◆ Working in parishes – visiting parishioners, helping in catechetical programmes and helping parishioners develop their spiritual lives;
- ◆ Involvement in a variety of Church organisations and charities;
- ◆ Advocacy and support for asylum seekers and refugees;
- ◆ Community social work with homeless people e.g. drop-in centres, food banks;
- ◆ Various justice and peace initiatives;
- ◆ Spiritual direction and retreat work; and
- ◆ Working to support women who have escaped from trafficking.

The objectives of the trustees in this area include:

- ◆ Enabling all members of the Society to carry out meaningful social and pastoral work within the community, with particular reference to those in need by reason of youth, age, financial hardship, or other disadvantage.
- ◆ Ensure that resources are available to support sisters in this work. The majority of sisters are now retired and not in receipt of a salary.
- ◆ Support work done by other organisations in the areas of human development and pastoral care through the charity's grant making.

*Caring for retired sisters*

The Society owns and runs Apley Grange, a registered care home for older and infirm sisters and private residents who are not members of the Society. Care is provided respecting the dignity, privacy, rights and quality of life of all residents. Apley Grange can accommodate 42 residents. Respite care is offered to both sisters and private residents on a temporary basis. Short term accommodation is offered to guests and visiting family members and this contributes to the homely and friendly atmosphere. Apley Grange is a place where older sisters are able to support the religious and charitable works of the charity. Prayer is at the centre of the life of the community. Private residents, staff and guests are welcome to join the community for worship. A small centre adjacent to the main house offers hospitality to local community groups and provides a space where they can hold meetings. This strengthens the links between the local community and the residents of Apley Grange.

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

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

*Caring for retired sisters* (continued)

In operating the home, the trustees aim to:

- ◆ Provide residents with excellent care which will enable them to live life as fully as possible to the end;
- ◆ Ensure that the home remains an integral part of the community of the Society and of the local wider community in Harrogate;
- ◆ Employ qualified staff to care for the residents; ensure that staff receive appropriate ongoing training and updating;
- ◆ Ensure that the home continues to meet the requirements of the Care Quality Commission (CQC) and that any recommendations arising from the inspections are acted upon quickly and effectively; and
- ◆ Maintain the financial security of the home through careful budgeting, controlling and monitoring expenses, securing all possible sources of statutory income, and continuing to welcome fee-paying residents.

*Grant making*

The charity makes one-off grants distinct from the more informal donation giving which continues to operate but which typically gives smaller amounts to organisations well known to one or more of the sisters. Grants support the objects of the charity through enabling and encouraging the work of charities operating in England, Ireland and Wales. As the age profile in the Society has changed and fewer sisters are in active ministry, the trustees have chosen to widen the charity's outreach and public benefit by giving grants to support social justice, environmental justice, anti-trafficking, projects that support refugees and asylum seekers, and educational projects that help maximise the potential of those who have experienced social and economic disadvantage.

Donations and other payments in support of ministry are decided by the trustees in consultation with other members of the Society as appropriate.

*Overseas work*

The charity provides financial support to the ministries of the Society across the world through contributions to the Generalate in Rome. In particular, the charity now contributes financially to rapidly developing ministries in Ghana and Nigeria in the African Province of the Society, particularly educational ministries.

The trustees' objectives are to support ministries recommended to them by the Society Leadership Team after consideration by the International Finance Committee on which there are two members of the European province.

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

***Associate programme***

The associate programme offers those who are not members of the Society, men and women, the opportunity to share in the charism and mission of the Society through connections with ministries sponsored by the Society and regular meetings for prayer and reflection.

The objectives of the trustees are to:

- ◆ Include the associates in the life of the Society; and
- ◆ Enable sisters to support associates' meetings for prayer and reflection.

***Volunteers***

Throughout the period, the members of the Society give their time to assist people who are poor, vulnerable, marginalised or in need of help in a number of different ways, including asylum seekers, refugees, people who are housebound, hospital patients, students from overseas and people who are homeless. This voluntary work contributes to the overall achievement of the charity's objectives. It is very difficult to provide any sort of quantitative analysis.

In addition, members are involved in administering the work of the Society and charity, without their contribution the charity would not be able to function as effectively or fully as it does. Because of the diversity of work, it is difficult to quantify this contribution in monetary terms. However, a conservative estimate of expenses saved is around £366,667.

***Investment policy and performance***

The charity's investments during the period were managed by Smith & Williamson Investment Management LLP, Sarasin and Partners LLP and James Hambro & Partners LLP. There are no restrictions on the charity's power to invest.

The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment managers' views 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 by the trustees 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.

The performance of the portfolio and the charity's investment strategy are reviewed by an investment committee which meets with the investment managers every six months and reports back to the trustees.

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and comply with the ethical guidelines given to them.

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

***Investment policy and performance*** (continued)

During the period, the charity's investments achieved an income yield of 3% (period to 31 August 2019 – 2%). At the end of the period the charity's portfolio of listed investments comprised 56% UK equities (period to 31 August 2019 – 71%), 42% overseas stocks (period to 31 August 2019 – 26%) and 2% cash (period to 31 August 2019 – 3%).

***Fundraising policy***

The charity manages its own fundraising activities and does not employ the services of a Professional Fundraiser. Any complaints about the quality of our fundraising activities are thoroughly investigated so that we find ways to improve our service. During the period ended 31 December 2020, the charity received no complaints about its fundraising activities.

Some of our funding comes from voluntary donations. The trustees are vigilant in applying the donations according to the wishes of the donors. The charity applies best practice to protect donors' data and never sells data; it never swaps data with other organisations and ensures that communication preferences can be changed at any time.

**Achievements and performance**

This year achievements and performance were impacted by the Covid-19 pandemic. All activities were impacted by lockdown and restrictions and adaptations needed to be made.

***Grants, donations and support of ministry and missionary work***

Grants are given to registered charities and other charitable organisations operating in England, Ireland and Wales.

The priorities for grant support are:

- ◆ Education in the widest sense – particularly educational projects that help maximise the potential of those who have experienced social and economic disadvantage.
- ◆ Environmental Justice – projects that support the care of the earth and eco-justice.
- ◆ Social Justice – projects that tackle poverty, the causes of poverty and economic inequality, particularly homelessness.
- ◆ Anti-trafficking – projects that aim to help those who are victims of human trafficking and are escaping exploitation, projects addressing modern slavery; and
- ◆ Refugees and asylum seekers – projects supporting migrants, asylum seekers and refugees.

In the fifteen month period to 31 December 2020 a total of £675,169 was paid out in grants to 40 organisations (see note 6 to the accounts).

**Achievements and performance** (continued)

***Grants, donations and support of ministry and missionary work*** (continued)

Most of the charities supported with grants have seen their work affected in some way due to the pandemic. Many kept in touch with us, letting us know how they were adjusting their services if possible and some had to pause services altogether. A few charities asked for an extension on the time they had to spend their grant or flexibility on how they spent it, which the trustees were happy to accommodate. Others simply asked for an extension on providing their end of grant reports or updates since they found themselves busier than ever, in some cases with staff numbers reduced due to furlough. We appreciated what they were all dealing with and were happy to be flexible during these challenging times.

**Blackpool Food Bank – social justice/food poverty**



Blackpool Food Bank is based in central Blackpool which helps individuals and families who are in need. The food bank was started in 2012 initially supplying food to 11 Children's Centre's across their town. The service quickly grew in scale and over the last few years has developed into the primary supplier of food to over 60 organisations. Food is donated by the public, local businesses and, where necessary, purchased.

The Food Bank works with partners in the Voluntary Sector as well as receiving requests from Social Workers and Health professionals etc. They distribute food parcels, carefully designed to provide a balanced diet with items for breakfast, lunch and dinner for 3-4 days in each parcel for families and singles. In addition, they supply, bread, fruit, vegetables, dairy, frozen meals and hygiene products to some 60 other agencies working with those in need including every



organisation working with the homeless in the Blackpool, Fleetwood and Cleveleys area. This network is known as the Blackpool Food Partnership and the aim is to collectively tackle all aspects of poverty in the area. The idea is to not only resolve the immediate food need, but more importantly to understand the underlying root cause and to work with the end user to address this issue. Within the group there are representatives from the Childrens Centres, Citizens Advice Centre, NHS Crisis Team, Local Authority Representatives along with support agencies who identify need and request food from the charity.

## **Achievements and performance** (continued)

### ***Grants, donations and support of ministry and missionary work*** (continued)

#### **Grant Application: £24,322 for a van driver**

Application was made to the SHCJ for a grant to support employment of a full-time van driver, or two part-time drivers, to ensure continuity of service for 12 months and buy some time in which to secure additional future funding. The grant has enabled the food bank to ensure that supply is consistent and uninterrupted.

#### **Impact**

The grant SHCJ provided has enabled the charity to fulfill its service with around 80 collections of food products from suppliers each week together with around 120 deliveries. They operate seven days per week. Last year the charity supplied over £500,000 worth of food to network partners. This level of supply has created a huge dependency on them as the primary source of the food need across the area. The provision of food has become crucial for many people as a result of the Covid-19 pandemic.

#### **Case study**

*We have partnered with Age UK working with local war veterans with issues around poverty, ill health and isolation. A gentleman was already known to Age UK and there were concerns over his health, general mobility and concerns over falling. He was socially isolated and had financial concerns. There had been no contact from Social Services for a while and he was estranged from a daughter so had no support network. He was getting concerned about managing at home and was keen to find out about care home and funeral plans too.*

*We used the hamper to introduce ourselves and gain access. After assessment we contacted Social Services who re-assessed him. We also referred him to Occupational Therapy to help with his mobility and the British Legion for debt help. They also helped him with information on care homes and funeral plans. We carried on supplying him with shopping from our Food Bank as his cupboards were empty. It's still early days but he feels less anxious and more positive that things will improve for him.*

### **Cirencester Opportunity Group - Education**



Cirencester Opportunity Group (COG) is a small independent registered charity. They are a Specialist Early Years Family centre and work directly with parents and their children aged 0-4. They provide inclusive tailored early-years education, as well as family outreach support, including parent and child focused activity sessions. Many of the families they work with are living with the challenges of deprivation and disadvantage.

**Achievements and performance** (continued)

***Grants, donations and support of ministry and missionary work*** (continued)

Their mission is to provide a warm, welcoming and safe environment for all families. They work in partnership with parents and professionals to promote inclusive care and education and to respond to the ever-changing needs of the individual families. They are passionate about enabling each child to have the best possible start in life and for every individual to have the opportunity to achieve their full potential.

***Grant Application: £22,170 of funding towards their Early Intervention (EI) programme***

Children are supported and their families are supported to overcome challenges that are affecting their ability to be the best parents they can be. Firstly, they support children to have their individual learning needs assessed, to have their Early Years education tailored to meet their developmental needs, to be fully prepared to transition into primary education both mainstream and specialist. Secondly, they specifically support the whole family unit, by carefully assessing the needs of the family, providing practical and emotional support through both parent and child focused activity sessions. The provision also extends to liaising with other professionals and enabling the family to access any support they require to improve their lives.



***Impact***

The grant SHCJ was asked to provide will enable approximately 60 children, mainly aged between 2 and 4, to take part in the Early Intervention Programme. In most cases both parents of these 60 children will also benefit from this project, so between 60-100 parents.

***Case study***

*A Health Visitor contacted COG and asked that a 3 year old boy be provided with a place on our Early Intervention (EI) learning programme, due to concerns about family isolation and the child's lack of socialisation . The COG EI Outreach team contacted the family and prior to the child starting with COG in September, we invited the family to attend some family group sessions and the summer playscheme. This enabled the whole family - Mum 22, Dad 26, 10-month old baby girl and 3 year old son - to get used to our centre. Assessments allowed us to identify that the young boy had very few social skills, poor communication and displayed lots of challenging behaviour. The mum presented as anxious and sometimes reluctant to talk and was struggling as Dad worked long hours.*

**Achievements and performance** (continued)

**Grants, donations and support of ministry and missionary work** (continued)

*In order to start building trust with the children and parents, Mum was encouraged to bring the youngest child to more of our family play sessions. In these sessions our EI team model play skills offer encouragement, reassurance and practical parenting advice. The trust began to grow, and the couple told the team that they were expecting their third child. Due to ongoing concerns about the condition of the two bedroomed flat the family lived in, the chaotic home-life and growing concerns over mum's mental health, the family were placed on a Child In Need Plan. A team comprising of Social Care, Housing, Health Visitors and the COG Early Intervention Team worked intensively with the whole family and within four months the family were removed from the plan.*

*Mum continued to attend COG family sessions four to five times a week and to bring her three-year-old to nursery. These sessions helped improve play skills, attachment, bonding and confidence in their parenting abilities. The Outreach Team also taught cooking skills, sourced baby equipment and clothing for the children. We also assisted them in making a primary school application for their eldest child and attended meetings with educational professionals so the parents could gain a clearer understanding of why their eldest child needed support due to communication delays and challenging behaviour. They were also supported in making a DLA (Disability Living Allowance) claim for their son and encouraged to work with P3, a local financial charity, due to their debt issues.*

*The programme enabled him to reach several developmental milestones that he was assessed as being below his age for developmentally. Some developmental areas remain a challenge for him, however, our Special Educational Needs and Disabilities Co-ordinators (SENDCos) worked with the school to enable this child to successfully transition into mainstream primary school education with dedicated one to one teaching support. We are still working with this family, now supporting the care and Early Years education of their two younger children and the family are in a much more stable position and they are thriving.*

**Emmaus Oxford- Social justice/education/ homelessness**



Emmaus Oxford helps people out of homelessness for good by giving them accommodation, support and meaningful work. Their community houses 28 people who have been homeless, they call them "companions".

**Grant Application: core funding £25,000**

An application was made to the Society of the Holy Child Jesus for a grant to run their accommodation and provide practical and emotional support to homeless people. This funding is restricted to the costs of rent and utility bills for the community building, the companions' living expenses and a contribution towards office and staff costs.

**Achievements and performance** (continued)

**Grants, donations and support of ministry and missionary work** (continued)

**Impact**

The grant from the SHCJ helps Emmaus Oxford to continue their ongoing vital work with the homeless. Since 2009 they have supported over 140 homeless people directly by providing them with a home, support and work. What they do also benefits the wider community, as their social enterprise saves items from going to landfill and helps people on low incomes to furnish their homes.

**Case Study: Karl**

*I used to work in construction for many years and things were going well. I had my own flat and even had the occasional holiday. Then life started going downhill, with less work available the bills started to mount up. My relationship broke down and I lost my home. Eventually I got on the wrong side of the law and ended up in prison twice. In between I was living on the streets. When you're homeless you feel like you have the whole world on your shoulders with many rough moments. I often made my own places to sleep, from whatever I could find, trying to keep the worst of the cold and rain out. I didn't really know where to turn. My probation officer suggested I apply to join the Emmaus Oxford community, to try and start my life over. I had an interview and moved in the following week. I've been at Emmaus Oxford for over two years now. It was hard at the beginning because I still had local friends from my old life, so I had to start the process of keeping away from them, for my own safety and that of my new friends here.*

*I enjoy working in the Emmaus charity shop and engaging with customers, as well as on the vans to help deliver the Furniture. I also volunteer to help with the Emmaus Oxford weekly solidarity, where we offer food and essential supplies to local rough sleepers. My knowledge of Oxford from my old life is actually put to good use. It does feel good to be able to help people because I've been there myself and know how much it'll mean to them. Emmaus Oxford is helping me start to think about my future. Ultimately the Support Team are helping me improve my work prospects and think about the type of work I want to do. I've got the chance to learn to drive, and I'd like to work on my IT skills.*

**Family Links- Education/mental health**



Established in 1997 and based in Oxford, Family Links has been working nationwide for the last 23 years to support children, parents and school staff with their emotional health and wellbeing, with an emphasis on early intervention. The aim of Family Links is to empower children and parents, schools and workplaces to develop positive emotional health by delivering quality training in the Nurturing Programme to health and social care services, third sector organisations, schools and universities. The Nurturing Programme (NP) is the core programme and underpins all their work. Running over 10-weeks, the NP aims to improve the emotional health of both adults and children and strengthen family relationships.

**Achievements and performance** (continued)

**Grants, donations and support of ministry and missionary work** (continued)

**Grant Application: £24,750 - to train 25 individuals to become parent group leaders in schools and nurseries**

The training to become a parent group leader is rigorous and careful attention is taken to ensure attendees are ready to deliver groups safely to parents before they are approved as a parent group leader.

**Impact**

With the grant provided by SHCJ 25 parent group leaders will be trained. They have the potential to work with 12 groups of parents, each with 10-12 per group, up to three times a year. This equates to 432 parents and their children reached each year. The majority of their work happens in areas of high deprivation, in children's centres, schools, nurseries and other settings. They aim to target these bursaries in the areas where the need is greatest in England, Wales and possibly N Ireland

Throughout the UK Family Links has trained over 19,000 professionals such as teachers, school staff, social workers, health visitors, educational psychologists, community centre workers, prison staff, adoption workers and youth workers to deliver Family Links programmes. These people are then able to deliver one or several of the Family Links programmes as part of their main job.



Other programmes available include those for antenatal parents and for families with complex needs. To date, Family Links has worked with over 215,000 parents and 450,000 children.

**Case study**

**A Mum** - *The Nurturing Programme for the first time in my life has really made me realise that in order to nurture my children I needed to nurture myself and I needed to make positive changes.*

*I have now come through this course and I feel different, I feel I am a good Mum, but I also feel I'm a good person and I like who I am now. The Four Constructs really are the foundations of all the changes I have made and am making.*

*I know what type of parent I want to be. I talk to my children with respect and most importantly, I praise all their efforts with encouragement and rewards. I have stopped praising followed by a criticism.*

*I now feel the most complete I have ever felt. I have let go of the weight bearing down on my head and I feel confident that as a family we were not off the rails but needed the help of the programme to bring to the front all the good things in our family.*

**Achievements and performance** (continued)

***Grants, donations and support of ministry and missionary work*** (continued)

**Hackney Migrant Centre - social justice, migrant drop in centre**



Hackney Migrant Centre was established in 2008 in response to the lack of advice and support available to refugees, asylum seekers and other migrants in Hackney and the local area, which led to many living in deep poverty; experiencing exploitation and homelessness; or suffering from mental and physical health issues.

Their work is delivered towards three, interrelated aims:

- 1) To provide advice and assistance to migrants on immigration, welfare or health issues;
- 2) To offer a welcoming environment to migrants and help reduce social isolation;
- 3) To publicise issues relating to migrants' social and economic circumstances.

***Grant Application: £20,000 - core services, primarily the holistic drop-in and support service***

Visitors are supported to resolve crisis resulting from irregular immigration status.

Visitors receive support to cope with destitution, housing and health issues.

HMC offers visitors a supportive environment to reduce social isolation and mental distress.



***Impact***

The grant from SHCJ will help HMC welcome around 700 visitors in a year, over half of them with dependents, from 75 different countries. HMC is open to all migrants, regardless of immigration status, background and area of residence. Visitors to the drop-in include refugees, asylum seekers, refused asylum seekers, people with limited leave to remain and NRPF, undocumented people and "overstayers". 2/3 of our visitors have NRPF or lack the right to work.

**Achievements and performance** (continued)

**Grants, donations and support of ministry and missionary work** (continued)

**Case study: Clara's story** [pseudonym to protect identity]

*Clara is a single mother, the sole carer for her three children. When she first visited Hackney Migrant Centre, she was destitute and facing eviction from her home. Clara's abusive husband had left her some months earlier, when she stood up to him and refused to allow him to take their daughters to Nigeria to undergo Female Genital Mutilation (FGM). A survivor of this practice herself, Clara fought for her daughters to avoid the same fate. Without her own source of income, Clara was not able to pay rent and her landlord began harassing the family. Bailiff action had also been initiated by the local authority to recover unpaid council tax.*

*HMC began working with Clara to bring an end to the bailiff action and negotiate with the local authority to suspend the debt until Clara had a stable source of income. A housing solicitor helped Clara with her landlord and found that the eviction proceedings had not been issued correctly, so she and her family did not have to leave and end up on the streets. She was helped with foodbank vouchers and a hardship grant to pay for essentials for herself and her children. Clara received immigration advice at the HMC drop-in, where she was advised that she could apply for asylum as a survivor of FGM, as well as asylum support housing. Clara's mental health was affected so we helped her access counselling. We stayed closely in touch with her as she was placed in asylum support housing.*

**Trees for Cities – Environmental Justice/Education**



Trees for Cities (TfC) are the only UK charity helping to improve lives by creating greener spaces and healthier environments in urban areas. Their objectives are to help grow stronger communities, enhance urban spaces, and improve health and happiness in parts of cities that need it most.

**Grant Application: £10,000 Woodland Creation in London programme**

The grant will be used to:

- ◆ Engage local residents, community groups and TfC's wider volunteer network to improve the quality, biodiversity and resilience of urban areas in London through the creation of woodland habitats.
- ◆ Create high quality 'destination' green spaces, whilst bringing people of various backgrounds together to improve the environment, recognising this as essential for healthy living within an urban area.
- ◆ Reduce noise and air pollution in some of the worst affected London boroughs through tree planting

**Achievements and performance** (continued)

**Grants, donations and support of ministry and missionary work** (continued)

**Impact**

The grant from SHCJ will help Trees for Cities

- ◆ Plant 25,000+ new trees in London, especially targeting areas where green spaces are lacking and deprivation is high.
- ◆ Deliver 2-3 woodland creation projects with local communities in green spaces across London.
- ◆ Engage 1,000+ volunteers in consultation, planting and training activities, seeking to engage people from a diverse range of backgrounds, inter-faith groups, schools, people with physical and/or mental disabilities and from BAME backgrounds.



They are based in London and work all over the UK. Since 1993 they have engaged over 70,000 volunteers to plant over one million trees.

**Case study**

*During December 2018 we worked in Partnership with Enfield Council and planted over 2,500 trees with 391 volunteers. The site at Montagu Recreation Ground, Enfield, was underused but has a lot of potential to serve the local community for recreation, socialising, exercising, educational visits or simply relaxing under the shade of the new tree canopy in continuously increasing temperatures. Working with the local community, Enfield Council and the wider network of TfC volunteers, we have transformed Montagu Recreation Ground into beautiful community urban woodland.*

*Volunteer quotes –*

*"How soothing the experience was. I felt good and really felt like I was helping and making an impact."*

*"The community spirit and the legacy it will leave for future generations."*

*"Getting people from all cultures together and helping the environment."*

**Support of Society Ministry in the Africa Province**

The African Province of the Society of the Holy Jesus is growing in number of sisters and so is expanding its ministries particularly in education. The trustees have been pleased to support the expansion of the Society's educational ministry in Nigeria and Ghana.

**Achievements and performance** (continued)

***Support of Society Ministry in the Africa Province*** (continued)

During the year, the charity provided support for ministry in the African province. Funds were given for the building of a 28 unit primary classroom block, laboratories and an Administration Block in Cornelia Connelly School of the Holy Child Jesus, Abeokuta, Nigeria. Funds were also supplied for furniture and furnishings as well as a school bus. Students moved into the new block in January 2021. Enrolment in the school is increasing. The school which initially started with 6 pupils now has 60 pupils and continues to grow.



Funding was also provided for the construction of a dormitory at Holy Child College, Asa, Nigeria which is the first co-educational secondary school opened by the Society in Nigeria. The dormitory will accommodate 144 students.



Sr Genevieve Ibedu, SHCJ School Administrator writes:

*It is with a deep sense of gratitude that I write to the trustees of the Society of the Holy Child Jesus CIO to express the heartfelt thanks of the community of Holy Child College for the support you have given to the growth and development of Holy Child College, Asa. The following are the benefits the hostel has offered the students:*

- ◆ *The hostel has given students ample space for habitation.*
- ◆ *There is now space for the drying of the students' laundry after washing.*
- ◆ *There is adequate bathroom and toilet facilities in the new hostel, this has taken care of the increasing number of users*
- ◆ *The provision of cupboards helped the students immensely in organising their school supplies and personal effects.*
- ◆ *Provision is made for a box room where the students are able to drop their boxes for safe keeping.*

**Achievements and performance** (continued)

**Support of Society Ministry in the Africa Province** (continued)

- ◆ *The erection of the fence around the hostel has provided maximum security for the students.*
- ◆ *There is cross ventilation in the hostel and less health hazards.*
- ◆ *The adjoining rooms have helped to house the staff whose duty is to supervise the activities of the students while living with them.*

The trustees also approved funding for the construction and furnishing of a multipurpose hall and a perimeter fence wall to make the school more secure for students and staff in the boarding houses.



In Ghana the charity is supporting development of Cornelia Connelly School of the Holy Child Jesus in Cape Coast. The school is expanding as a Junior High School as well as providing education at primary level. The trustees approved funding for the construction of a dormitory, installation of solar powered electricity and provision of a bus and pick up truck.

The development of ministry in the African province has necessitated the development of a



Projects Office to oversee planning and sustainable management of the ministries owned by the province. The office is staffed by three sisters, the Projects Co-ordinator, the Finance Director and the Grants Writer. The trustees of the CIO approved funding for the setting up of the project office and purchase of IT and communications equipment.

Sister Esther James, Projects Coordinator writes:

*In my role I see to ongoing planning, monitoring, supervision, and evaluation of projects. The funding of the Projects Office has enabled me to efficiently and effectively communicate and reach out to building consultants, contractors, ministry administrators, project directors as well as office team members without having to always travel to the site.*

*I have also been empowered by skilled consultants who have been providing me with ongoing training in planning and finance management. They have taught me many things about developing short-term and long-term plans for projects/ministries including:*

- ◆ *How to prioritise development projects, while considering needs and availability of funds.*

**Achievements and performance** (continued)

**Support of Society Ministry in the Africa Province** (continued)

- ◆ *Planning for maintenance of building projects as well as other equipment and plants. Developing a comprehensive project plan using a planning template to discuss the project or ministry background, logistics/ timelines and activities, personnel required, funding required and the risks etc.*
- ◆ *Preparing a 3-year or 5-year financial projection for a new project or an existing ministry including determining the funding required for both capital expenditure and running costs. To determine funding required to support a new ministry until it breaks even. To determine a breakeven point, deficit or surplus and how much deficit or surplus.*
- ◆ *Developing an annual projects/ ministry planning template to be used by all our SHCJ ministries in the province.*
- ◆ *Doing a master plan or site layout for each ministry, bidding processes to select contractors, procedures for erection of buildings etc.*

*I am grateful to our sisters and all our donors. Your support has enabled us to bring lasting change to the lives of many vulnerable and poor in our society through the establishment of new schools, hospitals etc in different parts of our Province in Nigeria and Ghana.*

**Care for Retired Sisters**

The charity runs a care home, Apley Grange in Harrogate, North Yorkshire. Care is provided for members of the congregation and other women residents who are not members of the Society. The primary aim is to provide appropriate individual and personalised care, including nursing care when needed. The home can accommodate 42 residents. On 31 December 2020 there were 34 long term residents.

**Achievements and performance** (continued)

***Care for Retired Sisters*** (continued)

Running a care home has been particularly challenging this year given the situation with Covid-19. The focus of management was on keeping residents and staff as safe as possible. Stocks of PPE had to be acquired, enhanced infection control put in place and regular testing of residents and staff undertaken. Several staff needed to shield and were supported with full pay by the charity. Care and safety of residents were at the fore of all decision making. Regular contact was maintained with CQC who assessed Apley Grange as 'low risk' for Covid-19. During the year a decision was taken to stop accepting people seeking respite care due to the risk it could present to the safety of long-term residents. When visiting was restricted the staff supported residents in their use of tablets and laptops to maintain essential contact with family and friends. Most of the SHCJ residents participated in a number of Zoom meetings with other members of the province during the year and a virtual Christmas party. The pastoral care team ensured that a range of activities were available for residents. During the first lockdown the pastoral care team worked from home and maintained contact with residents by phone and email.



In January 2020, the trustees put a new Governance Board in place. The board is comprised of the Province leader, two members of the province leadership team, the province bursar, the province Finance Director, the senior management of Apley Grange and an independent director. The independent director offers professional management support to both the trustees and the senior management of Apley Grange. The Governance Board is the accountability framework between Apley Grange management and the province leadership team.

The appointment of an independent director has proved invaluable in the Covid-19 crisis situation in which we have found ourselves this past year. He has been more involved in the management of Apley Grange than originally envisaged and has given great support to the Senior Management. The independent director and the management team held formal meetings on a weekly basis to ensure that they were constantly being responsive to the situation. The independent director has been impressed by the hard work, commitment and professionalism of the senior management team and the support and dedication of all the staff. The trustees wish to express their thanks to the management and staff of Apley Grange who have provided wonderful care in challenging circumstances.

**Achievements and performance** (continued)

***Care for Retired Sisters*** (continued)

In December 2019 CQC inspected Apley Grange and gave an overall rating of 'GOOD' as well as a rating of 'GOOD' for each area inspected. Below are extracts from the overall summary of the CQC report.

*People were treated with dignity and respect and their independence was promoted. Staff encouraged people to engage with their relatives and friends. Activities and events were arranged with people's hobbies and interests in mind. People were supported to access the wider community.*

*People were supported to have maximum choice and control of their lives and staff supported them in the least restrictive way possible and in their best interests; the policies and systems in the service supported this practice. People's choices were respected by staff.*

*The registered manager was very responsive to feedback and clearly committed to continually improve the service. They promoted a very person-centred culture. Staff worked together to effectively meet people's needs and improve their quality of life. Regular audits helped monitor the quality and safety of the service.*

**Education**

Supporting the identity and mission of Holy Child schools is very important to the Society and we seek to support those working in the schools of the Holy Child Education Network by providing resources and advice, and through the appointment of governors. In addition, we appointed a coordinator of the Education Network in January 2020 who will work with the schools to produce leadership and governance materials to facilitate lay engagement with the Holy Child vision and mission.

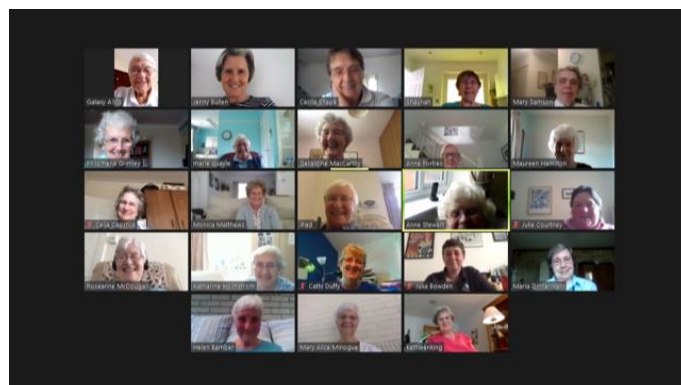
Each year the Society runs a residential conference for head teachers and chaplains with an emphasis on the distinctive ethos of Holy Child Schools and encouraging school leaders to develop their knowledge and understanding of the educational vision of Cornelia Connelly. The sisters also facilitate the eight Holy Child schools working together, resulting in the creation of shared resources for religious education, engagement with ecology and the local environment and collaboration and peer-support between school leaders.

Covid-19 restrictions have meant that the schools could not physically meet together in 2020 but their link with the SHCJ community has helped to keep the schools in contact with each other throughout this challenging year. Celebrations for the Society's 175<sup>th</sup> anniversary have been a particular focus for the schools and significant dates in this year have been marked with shared assemblies and resources, student projects and communications between the schools. A Zoom meeting took the place of the March 2021 conference and schools will meet together to celebrate and articulate their common Holy Child identity and mission and plan for a face-to-face conference in September 2021.

## **Achievements and performance (continued)**

### ***Worship and Prayer***

Sisters continued to live and deepen their life of prayer and their spiritual lives. The manner in which they did this changed over the last year. Many sisters participated in worship online using churchservices.tv. Sisters also offered prayer opportunities online. A weekly prayer service for sisters, associates and friends was hosted on Zoom.



### ***Human and spiritual development and pastoral work***

Over the past year as a result Covid-19 restrictions and social distancing sisters have had to adapt the way that they offer spiritual support to people. Spiritual direction was offered online using online platforms and sisters accompanied people on individually guided retreat, again using online platforms. One directee indicates how important this has been for her:

*I have been involved in spiritual direction for many years and when the pandemic forced everyone to observe physical distancing last March decided that having spiritual direction online was better than not having it at all. My regular sessions of direction have almost all been online since then and while I miss the presence of my director in the room, I have continued to feel connected and able to speak safely and freely via the internet. Even moments of quiet together are possible. Having that regular safe space in which to explore prayer and what God might be saying in my current circumstances has been a lifeline in what is a very isolating experience of lockdown and I continue to look forward to meetings with my director.*

The Cherwell Centre is a space in Oxford where individuals and groups may avail of quiet days of reflection or retreat. Groups can use the conference room for training sessions or meetings. In the last six months from September 2019 to March 2020 the Centre was used by the following groups: Oxfordshire Cooperative Training Service, Family Links, Windle Trust, Emmanuel Church, University Church, a Lectio Divina Group, and a group training in psychotherapy. The Centre closed in March 2020 because of Covid-19 restrictions. It opened again in August 2020 and between then and closure again at the end of December 2020 only two groups used the Centre. Understandably there was no demand for rooms for face-to-face meetings.

The charity continued to provide financial support to other charities and groups that are in line with the ethos and aims of the Society. Amongst these groups are Fare Share, Dementia UK, Samaritans, International Liberty Association, Mary's Meals, Andante, UNICEF and Care International.

**Achievements and performance** (continued)

***Human and spiritual development and pastoral work*** (continued)

Individual sisters work in local parishes offering pastoral support and spiritual accompaniment. There is a small pool of sisters who do meaningful work within organisations in the wider community and many do so on a voluntary basis.

***Associates***

Associates are men and women who are not members of the Society but who choose to share in some way in the mission and spirit of the Society. The group is supported particularly by two members of the Society. The Associates share the sisters' interest in justice and peace. They organise retreats and workshops for their members.

***Volunteers***

The majority of sisters are retired. Many give their time voluntarily to different organisations that support the poor, vulnerable, marginalised and elderly.

A number of sisters are involved in administering the work of the Society and charity. Without their contribution the charity would be unable to function as effectively as it does. The contribution is difficult to quantify, it is estimated that it saves the charity in the region of £235,000 per annum.

***Covid-19***

Covid-19 has presented the greatest challenge to the trustees in the past year. Sisters have had to adapt to restrictions which have limited their movements and meant they had to find new ways of engaging with people and supporting one another. Ministries such as the care home in Apley Grange and the Cherwell Centre had to change their way of working. Apley Grange has been supported by government grants for PPE and infection control. However, the home has not received anyone for respite care and has not received new long term residents. This has impacted on fee income. The situation regarding the lack of insurance to cover Covid-19 incidents in care homes is of considerable concern to the trustees who are seeking to mitigate the associated risks as best they can. The Cherwell Centre had to close in March 2020 for four months and again at the end of December 2020. These closures and the loss of demand while open impacted on income.

The charity's income will no doubt continue to be affected because of likely falls in investment income and income generated from the Cherwell Centre. In terms of our expenditure, we can foresee a rise in our expenses due to a rise in the cost of living during the crisis. However, we do not anticipate that grant making may need to be curtailed at present. We will continue to keep both income and expenditure under review.

Whilst there will undoubtedly be challenges ahead, we do not expect material concerns to arise over the charity's financial position.

## **Financial review**

### ***Results for the period***

A summary of the results for the period from 1 September 2019 to 31 December 2020 can be found on page 44 of this report and accounts. The CIO was operational from 1 September 2018 and hence the comparative income and expenditure represent the activities for the 12 month period to 31 August 2019.

Total income amounted to £4.67 million (period to 31 August 2019: £3.85m). £1.2 million (period to 31 August 2019: £1.2m) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £1.1 million donated to the charity using a Gift Aid compliant deed of covenant (period to 31 August 2019: £811k). Investment income and interest receivable totalled £2.7 million (period to 31 August 2019: £2m).

The 2019 figures include the transfer (or donation) of the assets and liabilities of the Charitable Trust with effect from 1 September 2018 which provided income of £105.4 million to give total income of £109.3 million.

Expenditure for the period ended 31 December 2020 totalled £7.89 million (period to 31 August 2019: £7.49 million). The total expenditure on the provision of residential care services to fee paying residents was £0.7 million (period to 31 August 2019: £0.6 million) with staff costs representing a very significant proportion of this. Staff costs in total amounted to £2.1 million (period to 31 August 2019: £1.4 million). Total expenditure incurred on maintaining the members of the Society and supporting them in their pastoral work and ministry amounted to £3.2 million (period to 31 August 2019: £2.4 million). Grants and donations amounted to £3.6 million (period to 31 August 2019: £4.1 million) following the development of the charity's grant making activities in the period. Fees paid to the charity's investment managers during the period amounted to £0.4 million (period to 31 August 2019: £0.5 million).

Net expenditure before net investment gains was £3,216,911 (period to 31 August 2019: net income £101,857,935). Net investment gains of £6,714,355 (period to 31 August 2019: £4,748,900) resulted in a net increase in funds for the period of £3,497,444 (period to 31 August 2019: net increase of £106,606,835).

### ***Reserves policy and financial position***

#### ***Reserves policy***

The reader will discern from the foregoing that the charity carries out a diverse range of activities and is responsible for care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes, or otherwise committed. In considering the level of reserves, trustees take into account forecasts of future income and expenditure, potential needs and risks, and the need to ensure the continuity of activity.

In particular, at the current time, the reserves need to be sufficient to enable the charity to operate in the exceptional circumstances created by the Covid-19 pandemic.

**Financial review** (continued)

***Reserves policy and financial position*** (continued)

*Reserves policy* (continued)

The trustees consider that, given the nature of the charity's work and its commitments, the level of free reserves that should be available to the charity should be between two and three years' expenditure.

*Financial position*

At 31 December 2020, the charity had net assets totalling £110,104,279 (period to 31 August 2019: £106,606,835).

Of this, £4.1 million was restricted and was to be applied for specific purposes.

A further £84.2 million had been set aside or designated by the trustees for specific reasons:

- ◆ £32.4 million had been set aside to provide for the Sisters in their retirement, none of whom have resources of their own. The amount needing to be set aside was re-assessed during the period ended 31 December 2020. The calculations, based on actuarial assumptions, indicated that £32.4 million was needed to be set aside to provide support for Sisters in their retirement (2019: £40 million). Therefore £7.6 million was released into general funds.
- ◆ £32.4 million had been set aside for the continued development of a formal grant making programme;
- ◆ £19.0 million comprised a Society Strategic Plan fund to support the international work of the Congregation, including the implementation and achievement of the Society-wide Strategic Plan;
- ◆ £0.4 million had been designated for the development and refurbishment of property.

£8.4 million (period to 31 August 2019: £8.7 million) represented tangible fixed assets essential for the support and work of the Sisters and not available to meet ongoing expenditure.

Therefore, at 31 December 2020, the CIO had free reserves of £13.3 million (period to 31 August 2019: £13.3 million). Whilst the level of free reserves exceeded the reserves policy of the CIO, the trustees are conscious of the fact that listed investments comprise the key asset and that these may be subject to significant fluctuation given the current economic climate, Covid-19 pandemic and political uncertainty in the United Kingdom, Europe and elsewhere in the world. Consequently, the trustees are of the opinion that the level of free reserves is adequate but not excessive at the current time. In particular, the level of reserves is deemed sufficient when considered in the light of the continued uncertainties arising due to the Covid-19 pandemic.

**Financial review** (continued)

***Tax exemptions etc***

The beneficiaries of the work of the charity have the assurance that all of the income must be applied for charitable purposes in furtherance of the object of advancing the Roman Catholic faith. The charity enjoys tax exemption on income from its activities and on its investment income and gains provided that these are applied for their charitable aims. It is also entitled to a reduction of 80% on business rates on the property occupied for charitable purposes. 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 this into practice through a wide variety of religious and other charitable works, including the operation of a care home.

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

The charity has brought substantial benefits to the residents in its care home, the local communities where sisters live, and society in general, through its newly developed grants programme, the social and pastoral work, care services, and education services provided by sisters, often on a voluntary basis. In addition, the charity has created social assets without cost to the Treasury through social and educational projects supported, the care home's links with the wider community, and through the significant amount of voluntary work carried out by the sisters.

**Future plans**

The main change that the trustees see to the charity's activities in the coming year is recovering demand for care at Apley Grange, Harrogate and use of the Cherwell Centre, Oxford. In both cases demand for services has been impacted by Covid-19.

The trustees will continue to meet the following objectives:

- ◆ Monitoring the needs of sisters as they grow older and, if necessary, adapt the charity's plans in respect of provision of care to older members and property needs.
- ◆ Caring for the sisters and enable them to carry out pastoral work and ministry.
- ◆ Focussing on the importance of worship and prayer to the lives of the individual sisters and the overall mission of the charity.
- ◆ Awarding grants to organisations that apply for funding in line with the priorities outlined in our grant making policy and to monitor the use of these grants.
- ◆ Supporting the Society's work in the African province via the Society Strategic Plan 2019-2025. Support will be given to projects following application and the exercise of due diligence. The charity will support retirement of Sisters in the African province.
- ◆ Operating a high-quality care home for members of the Society and private fee paying residents, while meeting the requirements of the Care Quality Commission.

**Future plans** (continued)

- ◆ Implementing the enactments of the Province Chapter of September 2015 and preparing for a Province Chapter in September 2021. Implementing the enactments of the General Chapter of March 2016, doing what we can to alleviate the struggle and suffering of migrants, refugees and asylum seekers.
- ◆ Paying attention to the ongoing impact of Covid-19 and its consequences, both socially and economically and continuing to work towards good stewardship of the monies we receive.

**Governance, structure and management**

***Governing document***

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

***Liability of the member***

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

***Governance***

In terms of canon law, the Society is governed at international level by the Superior General and her General Council in Rome. They are elected every six years at a General Chapter, which is a meeting of elected representatives of all provinces of the Society. The European Province is governed by the Provincial Leadership Team (PLT), comprising the Province Leader and three other members, all of whom are trustees, and the membership is involved in their selection.

In terms of civil law, the charity (which is a CIO) is governed by a constitution dated 14 March 2018 and is registered with the Charity Commission, Charity Registration Number 1177555. In addition to the members of the PLT, there are six further trustees who also understand the work of the province. The trustees work closely with the Province Leadership Team and its advisory committees. Members of the Province Leadership Team and the trustee body are chosen for their personal qualities, skills and understanding of the needs and aspirations of the Province as a whole. The trustees are appointed by the Province Leader based on their knowledge of the Province and particular competencies. At any one time there must be a minimum of four trustees and a maximum of ten.

As all trustees are members of the Society they have a detailed knowledge of the charity and of its structure. On being appointed new trustees have a period of induction when they obtain a full briefing of their responsibilities and the charity's position. During each year, individual trustees attend seminars and training courses to keep themselves up to date with governance, finance and property issues.

All trustees are members of the Society of the Holy Child Jesus and their living and personal costs are borne by the charity. They receive no remuneration for their services as trustees.

**Governance, structure and management** (continued)

**Governance** (continued)

The names of the trustees who served during the period 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 of signing the accounts are given below.

*Sister Angela O'Connor*

Sister Angela is Province Leader. She has previous experience of leadership having been a member of the province leadership team and province bursar for three years. She has also worked in school administration and in parish pastoral work and has directed the work of the Cherwell Centre, in Oxford.

*Sister Marguerite Bouteloup*

A former teacher, Sister Marguerite works as a visitor to the homebound, serves on a school board and has responsibility for the Society finances in France. She has worked as the province archivist.

*Sister Jenny Bullen*

Sister Jenny currently works as a primary school teacher and as a counsellor in a secondary school.

*Sister Eileen Crowley*

Sister Eileen is a member of the Province Leadership Team. She has extensive experience in the area of pastoral care having been a prison chaplain for many years.

*Sister Maria Dinnendahl*

Sister Maria, a former teacher and Province Bursar, has extensive experience of Province administration and school governance.

*Sister Judith Lancaster*

Sister Judith is a member of the Province Leadership Team. She is a spiritual director and has prior experience of province leadership having served on a team for six years. She has been the Society Archivist and has experience in school governance.

*Sister Catriona McPhail*

Sister Catriona, a former midwife and midwife tutor, currently volunteers with St Joseph's Hospice providing end of life support and services to patients with dementia. She is also a member of the Province investment committee.

**Governance, structure and management** (continued)

**Governance** (continued)

*Sister Carmel Murtagh*

Sister Carmel, a former teacher, has experience of province leadership and administration having previously served as province leader for three years and as a team member for four years. She also served on the Society leadership team for six years.

*Sister Celestina Oyidu Okwori*

Sister Oyidu is a member of the African Province Leadership Team. She is also a member of the Society's International Investment Committee. She has experience of administration and is currently responsible for finance in projects being developed in the African province.

*Sister Anne Stewart*

Sister Anne is a member of the Province Leadership Team. She is a former teacher and community worker. She has extensive experience of working in community projects.

**Trustees' responsibilities statement**

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the 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 in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

**Governance, structure and management** (continued)

***Trustees' responsibilities statement*** (continued)

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

***Structure and management reporting***

The trustees are ultimately responsible for policies, activities and assets of the charity. As the executive committee of the trustees, the Province Leadership Team meets six times a year and the trustees meet three times a year to review developments regarding the charity or its activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors and accountants. The day to day management of the charity's activities and the implementation of policies, is delegated to the appropriate members of the Society or senior staff.

The European province comprises 62 sisters who live in several communities in England and Wales, France and Ireland (the latter being supported by separate French and Irish charities). In England and Wales, the communities are situated in London, the Midlands, the South East, the North of England and Wales, the largest of the communities being Apley Grange, the care home for the sisters in Harrogate. This is run by a Registered Care Manager who has several years of experience in caring for older people in a care environment. She is directly managed by an independent director who has expertise in care sector management, and who supports the senior management team. A Governance Board, comprised of the Province leader, two members of the province leadership team, the province bursar, the province Finance Director, the senior management of Apley Grange and the independent director is the framework of accountability between Apley Grange management and the province leadership team. The Governance Board meets four times a year.

***Key management***

The trustees, together with the senior management team of the care home and the Finance Director, comprise the key management of the charity who direct, control, run and operate the charity on a day to day basis.

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

**Governance, structure and management** (continued)

***Key management*** (continued)

The pay of the senior management team of the care home is reviewed annually by the management committee which makes recommendations to the trustees who then consider whether or not to approve the proposals. Pay is normally increased in accordance with average earnings. In view of the nature of operations of the care home and the national shortage of qualified nurses and care staff, the trustees benchmark pay rates against pay levels in other similar charitable care homes and the National Health Service. The remuneration benchmark is based on published pay grades for nursing, care and administrative staff but considers additional responsibilities to ensure that the remuneration paid is fair not out of line with that paid for similar roles. The pay of the finance director is agreed by the trustees and reviewed annually.

***Working with other organisations***

The charity works closely with a number of other charities and public bodies which work in the fields of education, providing support to vulnerable groups, and working for justice and peace.

Examples of organisations with which the charity has cooperated during the period:

- ◆ The African and American Provinces of the Society of the Holy Child Jesus;
- ◆ The Roman Catholic archdioceses of Westminster, Birmingham and Southwark;
- ◆ The Roman Catholic dioceses of Arundel and Brighton, Lancaster, Leeds, Northampton and Wrexham;
- ◆ Mayfield School, Sussex; The Priory School, Birmingham; The Cavendish School, London; St Mary's Catholic Academy, Blackpool;
- ◆ Salford Loaves and Fishes; the Cardinal Hume Centre; Age-UK; St Joseph's Hospice Hackney; Ruhama, Dublin;
- ◆ Conferences of Religious (England, Wales and Ireland); the Association of Provincial Bursars (England and Ireland);
- ◆ ANDANTE.

***Risk management***

The outbreak of the Covid-19 pandemic presented 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. Risk assessments have been carried out and new policies and procedures put in place. These are reviewed regularly.

**Governance, structure and management** (continued)

***Risk management*** (continued)

We note above the financial and operational effects of Covid-19. Over and above these, the areas identified for particular attention within our risk management strategy are:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputational
- ◆ Laws, regulations, external and environment.

Governance and management covers the risk of the province, and hence the charity, suffering from a lack of direction, at the skills and training of its members and staff, and the good use of resources.

Operational looks at the risks inherent in activities including the operation of the care home, its members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety.

Financial risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, and inappropriate investment policies.

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

Laws, regulations, external and environment consider the effects of government policies, the consequences of non-compliance with laws and regulations, and poor risk assessment in the care home and elsewhere.

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

The key risks, as identified by the trustees, are described below together with the principal ways in which they are mitigated:

1. Inappropriate investment policies.  
Investment advisors are given guidance on investment strategies to be undertaken (low/medium risk and no speculative activity), with ethical investment guidelines. Performance is reviewed quarterly and on a 1/3/5 year basis. The investment committee, which includes three trustees, is aided in reviewing the performance of managers by Portfolio Review Services. Reporting is made to the trustees at their meetings.

**Governance, structure and management** (continued)

***Risk management*** (continued)

2. Safeguarding allegations.

The charity is fully compliant with the safeguarding policies of the Roman Catholic Church in England and Wales and members receive appropriate training and updating. All active members of the Society have been DBS checked, as have all staff involved in the care of vulnerable adults and any volunteers who work with members of the Society. The care home at Apley Grange has its own safeguarding policy and training sessions are regularly given to staff. The Society is aligned with the Roman Catholic Diocese of Lancaster Safeguarding Commission and one member of the Society is the charity's safeguarding representative and also a member of the Commission. Should there be an allegation of historic abuse, the Society is very well supported and advised by the Commission.

3. Misuse of resources.

Budgets are drawn up annually and monitored. Any large items of expenditure are fully discussed with the trustees at their meetings. Significantly large donations for the development of ministries in the growing African Province of the Society are fully documented and the Province Leader is involved in negotiations and monitoring through attendance at international meetings of the whole Society.

4. Lack of compliance with regulations.

This applies particularly to the care home, Apley Grange in Harrogate. To mitigate risk, the Governance Board, comprising of province leadership team members, the independent director and the management team, meets quarterly. It alerts the trustees to any significant issues. The home manager has in place all the required policies, risk assessments and procedures. The home is regularly inspected by the Care Quality Commission.

5. Covid-19

During the current Covid-19 pandemic, we continue to communicate with our investment managers and, whilst there are concerns over the falls in world stock markets, we acknowledge also that we are long term investors. As such, the charity will be able to wait for markets to recover over time whilst we, as trustees, keep a watching brief.

**Trustees' report** Period to 31 December 2020

**Employees, volunteers, and members of the Society**

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

Approved by the trustees and signed on their behalf by:

Angela O'Connor

Trustee

Approved by the trustees on: 2 June 2021

**Independent auditor's report to the trustees of the Society of the Holy Child Jesus CIO**

**Opinion**

We have audited the accounts of the Society of the Holy Child Jesus CIO (the 'charity') for the period from 1 September 2019 to 31 December 2020, 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 December 2020 and of its income and expenditure for the period 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 financial statements 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 financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 charities ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

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

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

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

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

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

### **Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the accounts**

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

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

***How the audit was considered capable of detecting irregularities including fraud***

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with 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), legislation and regulations specific to care homes and Safeguarding Regulations; and
- ◆ We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustee and review of the minutes of trustees' meetings.

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

- ◆ Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, 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;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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

**Use of our report**

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

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 14 June 2021

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

## Statement of financial activities Period to 31 December 2020

	Notes	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
		Unrestricted funds £	Restricted funds £	Total funds 2020 £	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income from:</b>							
Donations	1	1,208,099	10,750	1,218,849	1,190,091	3,000	1,193,091
Investments and interest receivable	2	2,532,805	118,861	2,651,666	1,939,411	99,234	2,038,645
Charitable activities							
. Residential care home		713,613	—	713,613	576,370	—	576,370
Other sources							
. Miscellaneous income		28,713	—	28,713	41,417	—	41,417
. Government Coronavirus related grants		—	56,364	56,364	—	—	—
. Surplus on disposal of tangible fixed assets	3	291	—	291	600	—	600
		<b>4,411,815</b>	<b>185,975</b>	<b>4,669,496</b>	<b>3,747,889</b>	<b>102,234</b>	<b>3,850,123</b>
Transfer from the Society of the Holy Child Jesus Charitable Trust	22	—	—	—	101,910,200	3,587,417	105,497,617
<b>Total income</b>		<b>4,411,815</b>	<b>185,975</b>	<b>4,669,496</b>	<b>105,658,089</b>	<b>3,689,651</b>	<b>109,347,740</b>
<b>Expenditure on:</b>							
Raising funds							
. Investment management costs		370,139	—	370,139	462,286	—	462,286
Charitable activities							
. Support of members of the Society and their ministry	4	3,232,404	—	3,232,404	2,375,940	—	2,375,940
. Provision of residential care services	5	670,301	56,364	726,665	565,435	—	565,435
. Donations and grants in support of charitable activities	6	3,466,791	90,408	3,557,199	4,049,986	36,158	4,086,144
<b>Total expenditure</b>		<b>7,739,635</b>	<b>146,772</b>	<b>7,886,407</b>	<b>7,453,647</b>	<b>36,158</b>	<b>7,489,805</b>
<b>Net (expenditure) income for the period before gains on investments</b>	8	<b>(3,256,114)</b>	<b>39,203</b>	<b>(3,216,911)</b>	<b>98,204,442</b>	<b>3,653,493</b>	<b>101,857,935</b>
<b>Net investment gains</b>		<b>6,393,676</b>	<b>312,385</b>	<b>6,714,355</b>	<b>4,647,901</b>	<b>100,999</b>	<b>4,748,900</b>
<b>Net income and net movement in funds</b>		<b>3,145,856</b>	<b>351,588</b>	<b>3,497,444</b>	<b>102,852,343</b>	<b>3,754,492</b>	<b>106,606,835</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 September 2019		<b>102,852,343</b>	<b>3,754,492</b>	<b>106,606,835</b>	—	—	—
Fund balances at 31 December 2020		<b>105,998,199</b>	<b>4,106,080</b>	<b>110,104,279</b>	<b>102,852,343</b>	<b>3,754,492</b>	<b>106,606,835</b>

## Balance sheet 31 December 2020

	Notes	31 December 2020 £	31 August 2019 £
<b>Fixed assets:</b>			
Tangible assets	11	8,445,535	8,690,310
Investments	12	101,185,884	97,216,834
		<b>109,641,419</b>	105,907,144
<b>Current assets:</b>			
Debtors	13	127,763	459,467
Cash at bank and in hand		1,110,133	1,045,583
<b>Total current assets</b>		<b>1,237,896</b>	1,505,050
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	14	(640,036)	(615,359)
<b>Net current assets</b>		<b>608,111</b>	889,691
<b>Total net assets less current liabilities</b>		<b>110,239,279</b>	106,796,835
Creditors: amounts falling due after more than one year	14	(135,000)	(190,000)
<b>Total net assets</b>		<b>110,104,279</b>	106,606,835
<b>The funds of the charity:</b>			
Restricted funds	15	4,106,080	3,754,492
Unrestricted funds			
. Designated funds	16	84,209,281	80,900,891
. Tangible fixed assets fund	17	8,445,535	8,690,310
. General funds		13,343,383	13,261,142
		<b>110,104,279</b>	106,606,835

Approved by the trustees  
and signed on their behalf by:

Angela O'Connor

Trustee

Approved on: 2 June 2021

## Statement of cash flows Period to 31 December 2020

	Notes	Period from 1 September 2019 to 31 December 2020 £	Period from 14 March 2018 to 31 August 2019 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	<b>(5,378,811)</b>	(5,299,842)
<b>Cash flows from investing activities:</b>			
Investment income and interest received		<b>2,774,763</b>	1,896,184
Proceeds from the disposal of tangible fixed assets		<b>291</b>	(600)
Purchase of tangible fixed assets		<b>(76,998)</b>	(602,223)
Proceeds from the disposal of investments		<b>28,992,818</b>	47,224,221
Purchase of investments		<b>(27,341,372)</b>	(45,418,620)
<b>Net cash provided by investing activities</b>		<b>4,349,502</b>	3,098,962
<b>Change in cash and cash equivalents in the period</b>		<b>(1,029,309)</b>	(2,200,880)
<b>Change in cash and cash equivalent due to exchange rate movements</b>		—	56,819
Cash at bank and in hand at start of period		<b>1,045,583</b>	839,857
Cash held by investment managers at start of period		<b>2,781,901</b>	5,141,939
<b>Cash and cash equivalents at 31 December 2020</b>	B	<b>2,808,426</b>	3,837,735

### Notes to the statement of cash flows for the period to 31 December 2020.

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

	Period from 1 September 2019 to 31 December 2020 £	Period from 14 March 2018 to 31 August 2019 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>3,497,444</b>	106,606,835
<b>Adjustments for:</b>		
Depreciation charge	<b>311,773</b>	313,758
Transfer from Society of the Holy Child Jesus Charitable Trust	—	(105,497,617)
Gains on investments	<b>(6,714,355)</b>	(4,748,900)
Investment income and interest receivable	<b>(2,651,666)</b>	(2,038,645)
Net gains on disposal of tangible fixed assets	<b>(291)</b>	(600)
Decrease (increase) in debtors	<b>208,607</b>	(116,745)
(Decrease) increase in creditors	<b>(30,323)</b>	182,072
<b>Net cash used in operating activities</b>	<b>(5,378,811)</b>	(5,299,842)

## Statement of cash flows Period to 31 December 2020

### B Analysis of cash and cash equivalents

	31 December 2020 £	31 August 2019 £
Cash at bank and in hand	1,110,133	1,045,583
Cash held by investment managers	1,698,293	2,792,152
<b>Total cash and cash equivalents</b>	<b>2,808,426</b>	<b>3,837,735</b>

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

## **Principal accounting policies** 31 December 2020

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

### **Basis of preparation**

These accounts have been prepared for the period from 1 September 2019 to 31 December 2020 with comparative information provided in respect to the period from 14 March 2018 to 31 August 2019.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

### **Critical accounting estimates and areas of judgement**

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

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

- ◆ determining the allocation of costs between different expenditure classifications;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions used in determining the value of the retirement fund; 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 one year from the date of approval of these accounts.

**Assessment of going concern** (continued)

The full impact on the charity's income and expenditure and financial position following the emergence of the global Covid-19 pandemic is still unknown. Since March 2020, the Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of the social interactions but has also had a significant economic impact at every level in ways which have been outside of our control.

Sisters have had to adapt to restrictions which have limited their movements and meant they had to find new ways of engaging with people and supporting one another. Ministries such as the care home in Apley Grange and the Cherwell Centre had to change their way of working. Apley Grange has been supported by government grants for PPE and infection control. However, the Apley Grange has not received anyone for respite care and has not received new long term residents. This has impacted on fee income. The Cherwell Centre had to close in March 2020 for four months and again at the end of December 2020. These closures and the loss of demand while open impacted on income.

The charity's income will no doubt continue to be affected because of likely falls in investment income and also in income generated from the Cherwell Centre. In terms of expenditure, the trustees foresee a rise in certain expenses due to a rise in the cost of living during the crisis but savings in other areas due to closures and lack of travel opportunities. The trustees do not anticipate that grant making will be curtailed at present.

The trustees will continue to keep both income and expenditure under review.

During the current Covid-19 pandemic, the trustees continue to communicate with their investment managers and, whilst there are concerns over the volatility in world stock markets, they acknowledge also that the charity is a long term investor. As such, the charity will be able to wait for markets to stabilise over time whilst the trustees keep a watching brief.

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

**Income recognition**

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

Income comprises donations, investment income, interest receivable, fees from the charity's residential care home and income from other sources including the surplus on the disposal of tangible fixed assets.

**Income recognition** (continued)

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.

Fees from the charity's residential care home are recognised when receivable.

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

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Investment income is 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 derived from the levying of charges for residential care and support services is measured at the fair value of the consideration received or receivable, excluding discounts and rebates. Fee income is recognised when the charity is entitled to receipt under the relevant contractual agreements.

A surplus on the disposal of tangible fixed assets is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. In the case of disposing of a freehold property, the surplus is recognised at the time when legal completion of the sale takes place.

**Income recognition** (continued)

Income from Government Coronavirus related grants is recognised when the charity has made a valid claim for the income, the amount can be measured and it is entitled to receive the income.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

- a) The costs of raising funds comprising fees payable to the charity's professional investment managers.
- b) Expenditure on the support of members of the Society and their ministry enables the members to carry out the charitable work of the Society in the areas of the advancement of the Roman Catholic Religion, the advancement of education and the spread of Christian values. Such expenditure comprises:
  - ◆ staff costs
  - ◆ premises expenditure
  - ◆ sisters' living and personal expenses
  - ◆ training and spiritual renewal
- c) Expenditure incurred in the provision of residential care services to the elderly at the Apley Grange Care Home.
- d) Grants and donations are awarded to support the works of the Society overseas and in support of education and other charitable activities consistent with the charity's objects in the United Kingdom. Grants and donations payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied related conditions if any. Grants and donations approved but not paid for at the end of the financial year are accrued for.

The majority of costs are directly attributable to specific activities. Certain costs in respect to the provision of residential care services have been allocated to expenditure categories by reference to the ratio of the number of fee paying residents to the number of residents who are members of the Society.

**Expenditure recognition** (continued)

Governance costs comprise the costs which are directly attributable to the procedures for compliance with statutory requirements. Governance costs are allocated in full to expenditure on the support of members of the Society and their ministry.

**Tangible fixed assets**

◆ Land and buildings

Non-specialised buildings are all freehold properties and are defined as those designed as, and used wholly or mainly for, private residential accommodation. They were stated at a trustees' valuation made, with professional assistance, in 1996 based on market value for existing use, with additions since stated at cost. As permitted by FRS 102, with effect from 1 September 2014 the 1996 values assigned to these properties are now deemed to be their cost. 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.

With the exception of one flat held on a 999 year lease, all specialised land and buildings are freehold. They comprise the Society's provincial administration centre, conference centre and care home for elderly sisters. They were stated at a trustees' valuation made with professional assistance, in 1996 based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 September 2014 the 1996 values assigned to these properties are now deemed to be their cost. Depreciation is provided at 2% per annum on a straight-line basis to write the specialised buildings off over their estimated useful economic life to the order.

The Chapel at Mayfield is not valued for the purposes of the accounts, as permitted by the Charities SORP FRS 102. It is a Grade I listed building and has been in the ownership of the sisters since 1863. The religious and historical nature of the building means that it would be difficult to obtain a meaningful valuation.

◆ Furniture, equipment and plant

Expenditure on the purchase and replacement of furniture and equipment over £2,000 and motor vehicles is capitalised and depreciated over a five year period on a straight line basis. Items classified as plant are capitalised and depreciated over a ten year period on a straight line basis, in order to write the assets off over their estimated useful life.

**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.

**Fixed asset investments** (continued)

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 as 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.

Deferred annuity contracts represent annuity contracts with an insurance company to provide for individual members of the Society on their retirement. The fund is revalued annually by the trustees. Any resultant surpluses and deficits on revaluation are credited or charged to the statement of financial activities.

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

**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.

**Funds structure**

The funds of the charity are, in the main, unrestricted and therefore available for use in furtherance of the charity's objectives at the discretion of the trustees. Within the total unrestricted funds of the charity are funds representing tangible fixed assets and funds which the trustees have designated for specific purposes. Details of these are provided in note 16 and note 17.

Details of funds which are restricted for certain purposes are given in note 15.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

**Services provided by members of the Society**

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

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the term of the lease.

**Pension contributions**

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 9. There were no outstanding contributions at the period ended 31 December 2020. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

## 1 Income from: Donations

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Salaries, pensions, social security and similar support of individual religious received under Gift Aid compliant deed of covenant	1,134,079	—	<b>1,134,079</b>	881,401	—	881,401
Other donations	74,020	10,750	<b>84,770</b>	308,690	3,000	311,690
	<b>1,208,099</b>	<b>10,750</b>	<b>1,218,849</b>	<b>1,190,091</b>	<b>3,000</b>	<b>1,193,091</b>

## 2 Income from: Investments and interest receivable

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Investment income						
. Listed investments – UK	1,455,100	43,967	<b>1,499,067</b>	1,731,130	99,234	1,830,364
. Listed investments – Overseas	1,066,420	74,864	<b>1,141,284</b>	199,607	—	199,607
	<b>2,521,520</b>	<b>118,831</b>	<b>2,640,351</b>	<b>1,930,737</b>	<b>99,234</b>	<b>2,029,971</b>
Interest receivable						
. Interest on cash held by investment managers	8,776	30	<b>8,806</b>	7,870	—	7,870
. Bank interest – UK	2,509	—	<b>2,509</b>	804	—	804
	<b>11,285</b>	<b>30</b>	<b>11,315</b>	<b>8,674</b>	<b>—</b>	<b>8,674</b>
	<b>2,532,805</b>	<b>118,861</b>	<b>2,651,666</b>	<b>1,939,411</b>	<b>99,234</b>	<b>2,038,645</b>

## 3 Income from: Surplus on disposal of tangible fixed assets

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Surplus on disposal of motor vehicles	291	—	<b>291</b>	600	—	600

**4 Expenditure on: Support of members of the Society and their ministry**

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Staff costs	1,650,972	—	<b>1,650,972</b>	1,013,738	—	1,013,738
Premises	700,037	—	<b>700,037</b>	558,866	—	558,866
Sisters' living and ministry expenses	717,910	—	<b>717,910</b>	661,295	—	661,295
Education, training and spiritual renewal	21,041	—	<b>21,041</b>	20,869	—	20,869
Governance costs (note 7)	88,170	—	<b>88,170</b>	68,944	—	68,944
Other	54,274	—	<b>54,274</b>	52,228	—	52,228
	<b>3,232,404</b>	<b>—</b>	<b>3,232,404</b>	<b>2,375,940</b>	<b>—</b>	<b>2,375,940</b>

**5 Expenditure on: Provision of residential care services**

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Staff costs	528,755	—	<b>528,755</b>	106,437	—	348,149
Premises	76,568	—	<b>76,568</b>	110,849	—	110,849
Welfare and other	64,978	56,364	<b>121,342</b>	348,149	—	106,437
	<b>670,301</b>	<b>56,364</b>	<b>726,665</b>	<b>565,435</b>	<b>—</b>	<b>565,435</b>

**6 Expenditure on: Donations and grants in support of charitable activities**

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
<b>Support of the work of the Society overseas</b>						
Africa	2,598,451	10,750	<b>2,609,201</b>	2,872,295	—	2,872,295
Lagos	3,300	—	<b>3,300</b>	—	8,000	8,000
Generally through the Society's Generalate	96,910	—	<b>96,910</b>	73,055	—	73,055
	<u>2,698,661</u>	<u>10,750</u>	<u><b>2,709,411</b></u>	<u>2,945,350</u>	<u>8,000</u>	<u>2,953,350</u>
<b>General donations – education</b>						
De La Salle School	—	20,000	<b>20,000</b>	—	—	—
St Augustines School	—	2,200	<b>2,200</b>	—	—	—
Priory School	—	10,000	<b>10,000</b>	—	—	—
Girton college	—	10,539	<b>10,539</b>	—	—	—
Maryvale Institute	—	3,000	<b>3,000</b>	—	—	—
St Marys Catholic Academy	—	1,100	<b>1,100</b>	—	—	—
St Annes & Guardian Angels Primary School	—	7,987	<b>7,987</b>	—	—	—
Read Easy Oxford	—	1,000	<b>1,000</b>	—	—	—
St Augustine's Primary School	—	—	<b>—</b>	—	2,000	2,000
Holy Child Community School, Sallynoggin	—	2,500	<b>2,500</b>	1,500	2,500	4,000
St Teresa's Catholic Primary School	—	—	<b>—</b>	—	3,000	3,000
St Mary's University	—	—	<b>—</b>	257,750	—	257,750
The Batey School	—	—	<b>—</b>	—	1,500	1,500
	<u>—</u>	<u>58,326</u>	<u><b>58,326</b></u>	<u>259,250</u>	<u>9,000</u>	<u>268,250</u>

**6 Expenditure on: Donations and grants in support of charitable activities (continued)**

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
<b>General donations – other Institutions</b>						
Forest Churches Emergency Night Shelter	—	—	—	1,000	—	1,000
Jesuit Refugee Service	—	—	—	10,000	—	10,000
Dover Outreach Centre	1,500	—	<b>1,500</b>	1,000	—	1,000
Age UK Oxfordshire	—	—	—	—	1,000	1,000
Age International	—	—	—	2,000	—	2,000
The Gatehouse	—	3,000	<b>3,000</b>	—	1,500	1,500
Montana Care Home	18,524	—	<b>18,524</b>	—	—	—
CatEW	5,200	—	<b>5,200</b>	—	—	—
Ardgillan College	—	—	—	—	1,000	1,000
Where in the World fund	5,000	—	<b>5,000</b>	—	—	—
Unicef	6,000	—	<b>6,000</b>	—	—	—
Care International UK	2,000	—	<b>2,000</b>	—	—	—
Fareshare	10,000	—	<b>10,000</b>	—	—	—
Dementia UK	1,500	—	<b>1,500</b>	—	—	—
Lebanese Maronite Order	5,000	—	<b>5,000</b>	—	—	—
The Destitution Project	—	—	—	4,000	—	4,000
TRAC	—	—	—	1,000	—	1,000
JPIC	—	—	—	1,000	—	1,000
Oxfam Yeman Appeal	—	—	—	2,000	—	2,000
Salford Loaves and Fishes	—	—	—	20,000	—	20,000
Living Waters Storehouse	—	—	—	2,000	—	2,000
NJPN	—	—	—	1,000	—	1,000
New comfort zone	—	—	—	3,000	—	3,000
Casa Cornelia	—	5,000	<b>5,000</b>	5,000	3,000	8,000
Peadar King – KMF Productions	—	—	—	—	5,000	5,000
Mobray Community Church	—	2,000	<b>2,000</b>	—	2,058	2,058
Jesuit Missions – Cyclone appeal	—	—	—	5,000	—	5,000
CAFOD	—	—	—	250,000	—	250,000
<b>General donations under £1,000</b>	12,800	6,432	<b>19,232</b>	13,201	2,100	15,301
	67,524	16,432	<b>83,956</b>	321,201	15,658	336,859
<b>General donations to individuals</b>	25,437	4,900	<b>30,337</b>	—	3,500	3,500

**6 Expenditure on: Donations and grants in support of charitable activities (continued)**

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
<b>Grants</b>						
Abigail Housing	24,333	—	<b>24,333</b>	—	—	—
Amber Trust	25,000	—	<b>25,000</b>	—	—	—
Bakhita House	20,000	—	<b>20,000</b>	—	—	—
Beacon	20,000	—	<b>20,000</b>	—	—	—
Blackpool Foodbank	24,322	—	<b>24,322</b>	—	—	—
Bradford City of Sanctuary	11,653	—	<b>11,653</b>	—	—	—
Bridgebuilder Trust MK	7,000	—	<b>7,000</b>	—	—	—
Caritas Social Action Network	10,000	—	<b>10,000</b>	—	—	—
St Simeon's Church Trust	10,000	—	<b>10,000</b>	—	—	—
Church Action on Poverty	20,000	—	<b>20,000</b>	—	—	—
Cirencester Opportunity Group	22,170	—	<b>22,170</b>	—	—	—
Community Pride Salford CIC	13,000	—	<b>13,000</b>	—	—	—
Creative Dementia Arts Network	10,000	—	<b>10,000</b>	—	—	—
Didcot Train	25,000	—	<b>25,000</b>	—	—	—
Destitution Project Bolton	8,500	—	<b>8,500</b>	—	—	—
Disability First	25,000	—	<b>25,000</b>	—	—	—
Educare	12,500	—	<b>12,500</b>	—	—	—
Family Links	24,750	—	<b>24,750</b>	—	—	—
Father Hudson's Care	15,000	—	<b>15,000</b>	—	—	—
Fleetwood Trust	25,000	—	<b>25,000</b>	—	—	—
Groundworks	15,000	—	<b>15,000</b>	—	—	—
Hackney Migrant Centre	20,000	—	<b>20,000</b>	—	—	—
Jesuit Refugee Service	10,000	—	<b>10,000</b>	—	—	—
Justice	7,000	—	<b>7,000</b>	—	—	—
Kenelm Youth Trust	20,000	—	<b>20,000</b>	—	—	—
Marine Conservation Society	10,000	—	<b>10,000</b>	—	—	—
Operation Noah	15,000	—	<b>15,000</b>	—	—	—
Plastic Oceans	12,000	—	<b>12,000</b>	—	—	—
Refugee Resource	20,000	—	<b>20,000</b>	—	—	—
Salford Loaves and Fishes	20,000	—	<b>20,000</b>	—	—	—
Sanctuary Hosting	20,000	—	<b>20,000</b>	—	—	—
Shine Youth	10,000	—	<b>10,000</b>	—	—	—
South Harrow Christian Fellowship	15,000	—	<b>15,000</b>	—	—	—
St Joseph's Hospice	15,000	—	<b>15,000</b>	—	—	—
Trees For Cities	10,000	—	<b>10,000</b>	—	—	—
Medaille Trust	—	—	—	24,000	—	24,000
Compassion Acts	—	—	—	7,000	—	7,000
Emmaus Oxford	25,000	—	<b>25,000</b>	28,000	—	28,000
Cardinal Hume Centre	—	—	—	48,044	—	48,044
THOMAS	—	—	—	48,000	—	48,000
Volunteer Centre Blackpool	—	—	—	50,000	—	50,000
Voices in Exile	—	—	—	48,776	—	48,776
Ruhama Womens Project	—	—	—	10,000	—	10,000
Music4Wellbeing	—	—	—	11,370	—	11,370
Totals carried forward	597,228	—	<b>597,228</b>	275,190	—	275,190

**6 Expenditure on: Donations and grants in support of charitable activities (continued)**

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
<b>Grants (continued)</b>						
Totals brought forward	597,228	—	<b>597,228</b>	275,190	—	275,190
ANAWIM	18,000	—	<b>18,000</b>	48,000	—	48,000
Women at the Well	25,000	—	<b>25,000</b>	41,556	—	41,556
Baby Basics	—	—	—	26,000	—	26,000
Cirencester Housing for Young People	10,000	—	<b>10,000</b>	20,000	—	20,000
ECPAT UK	—	—	—	49,289	—	49,289
Asylum Welcome	24,941	—	<b>24,941</b>	7,150	—	7,150
A Rocha UK	—	—	—	17,000	—	17,000
SVP – St Vincent Support Centre Leeds	—	—	—	40,000	—	40,000
	<u>675,169</u>	<u>—</u>	<u><b>675,169</b></u>	<u>524,185</u>	<u>—</u>	<u>524,185</u>
<b>Total donations and grants</b>	<b>3,466,791</b>	<b>90,408</b>	<b>3,557,199</b>	<b>4,049,986</b>	<b>36,158</b>	<b>4,086,144</b>

**7 Governance costs**

	Period from 1 September 2019 to 31 December 2020			Period from 14 March 2018 to 31 August 2019		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Legal and professional fees	88,170	—	<b>88,170</b>	68,944	—	68,944

**8 Net (expenditure) income for the period before gains on investments**

This is stated after charging (crediting):

	<b>Total period from 1 September 2019 to 31 December 2020 £</b>	<b>Total period from 14 March 2018 to 31 August 2019 £</b>
Staff costs (note 9)	<b>2,122,218</b>	1,361,887
Auditor's remuneration (including VAT)		
. Audit services – current year	<b>31,000</b>	31,000
. Audit services – prior year	<b>1,838</b>	20
. Non audit services: payroll and other consultancy	<b>15,062</b>	17,291
Depreciation	<b>306,688</b>	313,758
Operating lease charges	<b>43,182</b>	16,115

## 9 Staff costs, remuneration of key management personnel and trustees' remuneration

	<b>Total period from 1 September 2019 to 31 December 2020 £</b>	<b>Total period from 14 March 2018 to 31 August 2019 £</b>
Staff costs during the period were as follows:		
Wages and salaries	<b>1,950,313</b>	1,257,621
Social security costs	<b>138,251</b>	87,660
Pension costs	<b>33,655</b>	16,606
	<b>2,122,218</b>	<b>1,361,887</b>

No employee earned above £60,000 per annum (including benefits) during the period.

The average number of employees during the period (including part time staff):

	<b>Total period from 1 September 2019 to 31 December 2020 £</b>	<b>Total Period from 14 March 2018 to 31 August 2019 £</b>
Support of Members of the Society and their ministry, the operation of residential care home and grant making	<b>82</b>	81

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees, the finance director and the senior management team of the charity's care home. The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the sixteen month period to 31 August 2020 was £139,179 (period to 31 August 2019: £60,530).

The charity's trustees are all members of the Society and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Society, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees.

As members of the Society, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the period, the total amount donated by the trustees to the charity was £80,886 (period to 31 August 2019: £61,243).

## 10 Taxation

The Society of the Holy Child Jesus CIO is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## 11 Tangible fixed assets

	Land and buildings		Furniture, equipment and plant £	Motor vehicles £	Total £
	Non- specialised £	Specialised £			
<b>Cost or valuation</b>					
At 1 September 2019	3,857,947	6,277,808	1,846,308	128,625	<b>12,110,688</b>
Additions	—	14,854	62,144	—	<b>76,998</b>
Disposals and eliminations	—	—	—	(13,710)	<b>(13,710)</b>
At 31 December 2020	3,857,947	6,292,662	1,908,452	114,915	<b>12,173,976</b>
At cost	3,497,947	4,109,954	1,908,452	114,915	<b>9,646,122</b>
At deemed cost	360,000	2,153,000	—	—	<b>2,513,000</b>
	3,857,947	6,292,662	1,908,452	114,915	<b>12,159,122</b>
<b>Depreciation</b>					
At 1 September 2019	—	1,735,453	1,596,935	87,990	<b>3,420,378</b>
Charge for period	—	167,407	121,480	22,886	<b>311,773</b>
On disposals and eliminations	—	—	—	(13,710)	<b>(13,710)</b>
At 31 December 2020	—	1,902,860	1,718,415	97,166	<b>3,718,441</b>
<b>Net book values</b>					
<b>At 31 December 2020</b>	<b>3,857,947</b>	<b>4,389,802</b>	<b>190,037</b>	<b>17,749</b>	<b>8,440,681</b>
At 31 August 2019	3,857,947	4,542,355	249,373	40,635	<b>8,690,310</b>

All land and buildings are freehold with the exception of a flat included in non-specialised land and buildings which is held on a 999-year lease and which has a net book value at 31 December 2020 of £114,667.

Under previous Generally Accepted Accounting Practice, freehold land and buildings purchased prior to 1996 were held at a book value based on a trustees' valuation made in 1996 based on replacement cost for existing use. As permitted under the transitional provisions of FRS 102 (section 35), the charity has elected to use these valuations as deemed cost.

The remaining properties and other tangible fixed assets are held at cost less accumulated depreciation where applicable.

It is likely that there are material differences between the open market values of the charity's land and buildings and their book values. These arise from the specialised nature of some properties and the effects of inflation. 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.

Certain of the freehold land and buildings are subject to restrictive covenants in relation to their future disposal.

# **11 Tangible fixed assets** (continued)

The charity has title to a number of unique religious artefacts including statues and paintings which form part of the heritage of the Society and which the charity intends to preserve for future generations of Sisters. One of the principal objectives of the charity is “*to support the religious and other charitable works carried on by the Society and its members*”. As such, the assets meet the definition of heritage assets in the Charities SORP FRS 102 and are not valued for the purposes of these financial statements. Details of specific items are not given for security reasons.

# **12 Investments**

	31 December 2020 £	31 August 2019 £
Listed investments	101,096,489	97,143,767
Unlisted investments		
. Deferred annuity contracts	89,395	73,067
	<b>101,185,884</b>	<b>97,216,834</b>

	31 December 2020 £	31 August 2019 £
<b>Listed investments</b>		
Market value at 1 September 2019	94,351,615	—
Transfer from Society of the Holy Child Jesus Charitable Trust	—	91,469,281
Additions	27,340,172	45,418,620
Disposals (proceeds: £28,992,818; realised losses: £2,495,751)	(31,488,569)	(46,193,249)
Net unrealised investment gains	9,194,978	3,656,963
Market value at 31 December 2020	99,398,196	94,351,615
Cash held by investment managers for reinvestment	1,698,293	2,792,152
	<b>101,096,489</b>	<b>97,143,767</b>
Cost of listed investments at 31 December 2020	<b>78,928,238</b>	<b>74,869,707</b>

Listed investments (excluding cash held by investment managers for re-investment) held at 31 December 2020 comprised the following:

	31 December 2020 £	31 August 2019 £
Listed investments – UK	54,050,974	69,520,071
Listed investments – Overseas	45,347,222	24,831,544
	<b>99,398,196</b>	<b>94,351,615</b>

## 12 Investments (continued)

The following holding represented a material holding when compared to the total portfolio valuation at 31 December 2020:

	Market value £	Percentage of portfolio %
Sarasin Climate active endowments fund class A income	<b>34,264,097</b>	<b>34.7</b>

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

Deferred annuity contracts	31 December 2020 £	31 August 2019 £
Valuation at 1 September 2019	<b>73,067</b>	—
Transfer from Society of the Holy Child Jesus Charitable Trust	—	67,721
Additions	<b>1,200</b>	1,200
Surplus on revaluation	<b>15,128</b>	4,146
Valuation at 31 December 2020	<b>89,395</b>	73,067

The contracts are held with the Eagle Star Assurance Company Limited.

Since 31 December 2020 there has been no material effect on investments due to the Covid-19 pandemic.

## 13 Debtors

	31 December 2020 £	31 August 2019 £
Investment income and income tax recoverable	<b>19,364</b>	142,461
Care home fees receivable	<b>17,191</b>	34,535
Other debtors	<b>4,775</b>	11,362
Prepayments	<b>86,433</b>	84,535
Legacies receivable	—	186,574
	<b>127,763</b>	459,467

#### 14 Creditors

	31 December 2020 £	31 August 2019 £
<b>Amounts falling due within one year</b>		
Monies administered by the charity on behalf of individual members of the Society	284,130	314,121
Care home fees received in advance	8,271	9,691
Accruals and expense creditors	292,635	236,547
Grants and donations payable	55,000	55,000
	<b>640,036</b>	<b>615,359</b>
<b>Amounts falling due after more than one year</b>		
Grants and donations payable	135,000	190,000

#### 15 Restricted funds

The funds of the charity include restricted funds comprising the following amounts to be applied for specific purposes:

	At 1 September 2019 £	Income £	Expenditure £	Gains £	At 31 December 2020 £
Cornelia Connelly Fund	3,748,060	118,861	(73,226)	312,385	4,106,080
Donations for specific purposes	6,432	67,114	(73,546)	—	—
	<b>3,754,492</b>	<b>185,975</b>	<b>(146,772)</b>	<b>312,385</b>	<b>4,106,080</b>

	At 14 March 2018 £	Transfer from Charitable Trust £	Income £	Expenditure £	Gains £	At 31 August 2019 £
Cornelia Connelly Fund	—	3,556,827	99,234	(9,000)	100,999	3,748,060
Donations for specific purposes	—	30,590	3,000	(27,158)	—	6,432
	<b>—</b>	<b>3,587,417</b>	<b>102,234</b>	<b>(36,158)</b>	<b>100,999</b>	<b>3,754,492</b>

## 15 Restricted funds (continued)

The Cornelia Connelly Fund was previously a separate charity, administered by the same trustees as the Society of the Holy Child Jesus Charitable Trust. During 1998 permission was sought and given by the Charity Commissioners under Section 96(6) of the Charities Act 2011 for the accounts of the two charities to be combined, on the condition that the Cornelia Connelly Fund remain as a separate fund within the accounts of the main charity, restricted to the charitable purposes set out in the original trust deed of the Cornelia Connelly Fund, being 'such educational charitable purposes as advance the educational charitable work for the time being carried on in any part of the world by or under the direction or with the support of the European Province'.

## 16 Designated funds

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

	At 1 September 2019 £	New designations £	Utilised/ released £	At 31 December 2020 £
African Province fund	230,458	—	(230,458)	—
Society Strategic Plan fund				
. Retirement fund for support of the African Province	7,813,571	1,093,968	—	<b>8,907,539</b>
. Support of goals	12,431,047	—	(2,328,293)	<b>10,102,754</b>
Property development and refurbishment fund	350,000	—	—	<b>350,000</b>
Grants reserve	20,075,815	13,031,462	(675,179)	<b>32,432,098</b>
Retirement reserve	40,000,000	—	(7,583,110)	<b>32,416,890</b>
	<b>80,900,891</b>	<b>14,125,430</b>	<b>(10,817,040)</b>	<b>84,209,281</b>

	At 14 March 2018 £	Transfer from Charitable Trust £	New designations £	Utilised/ released £	At 31 August 2019 £
African Province fund	—	223,494	6,964	—	230,458
Society Strategic Plan fund					
. Retirement fund for support of the African Province	—	8,296,432	27,192	(510,053)	7,813,571
. Support of goals	—	8,807,326	5,985,964	(2,362,243)	12,431,047
Property development and refurbishment fund	—	350,000	—	—	350,000
Grants reserve	—	20,000,000	600,000	(524,185)	20,075,815
Retirement reserve	—	40,000,000	—	—	40,000,000
	<b>—</b>	<b>77,677,252</b>	<b>6,620,120</b>	<b>(3,396,481)</b>	<b>80,900,891</b>

## 16 Designated funds (continued)

The African Province fund represented monies designated by the trustees to fund the education and formation of sisters in Africa. It was fully utilised during the period..

The Society Strategic Plan fund (formerly known as the Congregational fund) represents monies designated by the trustees to support the international work of the Congregation, including the implementation of the Society-wide strategic plan. The fund has two elements: The 'Retirement fund for the support of the African Province' and the 'Support of Goals'. It is the intention that this fund continues to be increased to be held over the next four to five years until they are required by the wider Congregation. Sisters and projects of the Society overseas will be able to apply for monies from the fund but these will be paid out only after successful due diligence and, thereafter, the use of the monies will be monitored closely by the trustees. The trustees will review the Society Strategic Plan fund and the charity's financial position on a year by year basis.

The property development and refurbishment fund represents monies designated by the trustees to build and refurbish a number of the charity's freehold premises.

The grants reserve represents monies designated by the trustees for the charity's grant making programme.

The retirement reserve represents monies designated by the trustees to provide for the sisters in their retirement. It has been calculated using actuarial principles and is reviewed regularly by the trustees in the light of the resources available and likely to be required.

## 17 Tangible fixed assets fund

The tangible fixed asset 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 in recognition of the fact that the tangible fixed assets are used in the day-to-day activities of the charity, and the fund value would not be easily realisable if needed to meet future contingencies.

	Total £
At 1 September 2019	8,690,310
Net movement in the period	(244,544)
At 31 December 2020	<u>8,445,766</u>

	Total £
At 14 March 2018	—
Transfer from Society of the Holy Child Jesus Charitable Trust	8,401,845
Net movement in the period	288,465
At 31 August 2019	<u>8,690,310</u>

## Notes to the accounts 31 December 2020

### 18 Analysis of net assets between funds

The total unrealised gains as at 31 December 2020 constitute movements on revaluation and are as follows:

	31 December 2020 £	31 August 2019 £
<b>Unrealised gains included above:</b>		
On investments	20,469,963	19,481,908
<b>Total unrealised gains at 31 December 2020</b>	<b>20,469,963</b>	<b>19,481,908</b>
<b>Reconciliation of movements in unrealised gains (losses)</b>		
Unrealised gains at 1 September 2019	19,481,908	—
In respect to disposals in the period	(8,206,928)	(8,818,418)
	11,274,980	(8,818,418)
Add: net gains arising on revaluation arising in the period	9,194,978	3,656,963
Transfer from Holy Child Jesus Charitable Trust	—	24,643,363
<b>Total unrealised gains at 31 December 2020</b>	<b>20,469,958</b>	<b>19,481,908</b>

### 19 Operating lease commitments

At 31 December 2020, the charity had future minimum commitments in respect to non-cancellable operating leases in respect to land and buildings as follows:

	31 December 2020 £	31 August 2019 £
<b>Land and buildings</b>		
Payments which fall due:		
. Within one year	13,500	7,200
. Within two to five years	43,875	2,446
	57,375	9,646
<b>Equipment</b>		
Payments which fall due:		
. Within one year	28,622	11,400
. Within two to five years	55,948	—
. Over five years	31,752	—
	116,322	11,400

## 20 Ultimate control and liability of member

The Province Leader of the Congregation for the time being shall automatically, by virtue of holding that office, be ex officio the sole member of the CIO. The sole member is responsible for the appointment of the trustees.

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

## 21 Connected charity and related party transactions

During the year a donation of £20,000 was paid to Salford Loaves and Fishes, a charity of which Sister Anne Stewart, a trustee of the CIO, is a trustee.

Amounts donated to the charity during the year by the trustees are disclosed in note 9.

There are no further related party transactions requiring disclosure.

## 22 Transfer from Society of the Holy Child Jesus Charitable Trust

The trustees of the CIO are also the trustees of the.

With effect from 1 September 2018, the activities, assets and liabilities of the Society of the Holy Child Jesus Charitable Trust (Charity Registration Number 223035) were transferred to the CIO in accordance with a legal deed of transfer.

The net assets transferred were:

	31 August 2018 £
Tangible fixed assets	8,401,845
Listed investments	91,469,281
Unlisted investments	67,721
Cash held by investment managers	5,141,939
Debtors: amounts falling due within one year	200,261
Cash at bank and in hand	839,857
Creditors: amounts due within one year	(603,287)
Creditors: amounts due after more than one year	(20,000)
Total net assets	<u>105,497,617</u>
Representing:	
Restricted funds	3,587,417
Unrestricted funds	
. Designated funds	77,677,252
. Tangible fixed assets fund	8,401,845
. General funds	15,831,103
	<u>105,497,617</u>

## **Notes to the accounts 31 December 2020**

### **23 Post balance sheet events**

Since the year end contracts have been exchanged in respect to the sale of one of the charity's freehold properties. Completion is expected in early June 2021. The net book value of the property in these accounts is £379,837 and the gross proceeds from the sale are anticipated to be £1.16m.