

**Society of
the Holy
Child
Jesus
CIO**

Annual Report and Accounts

31 December 2021

Charity Registration Number
1177555

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

Trustees	<p>Sister Angela O'Connor (Chairperson) Sister Marguerite Bouteloup (resigned 30 October 2021) Sister Jenny Bullen Sister Helen Costigane (appointed 15 November 2021) Sister Eileen Crowley Sister Maria Dinnendahl (resigned 30 October 2021) Sister Judith Lancaster Sister Catriona McPhail (resigned 11 October 2021) Sister Monica Matthews (appointed 1 May 2022) Sister Carmel Murtagh Sister Celestina Oyidu Okwori Sister Anne Stewart</p> <p>The trustees are incorporated under the Charities Act 2011</p>
Province Leader	Sister Angela O'Connor
Provincial Bursar	Sister Carmel Murtagh
Principal office	<p>Provincial Offices 14-16 Norham Gardens Oxford OX2 6QB</p>
Website address	www.shcj.org
Charity Registration Number	1177555
Auditor	<p>Buzzacott LLP 130 Wood Street London EC2V 6DL</p>

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
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EC4M 8BU

Cazenove Capital
1 London Wall Place
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Bankers Metro Bank plc
4-5 Queen Street
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OX1 EJ

Royal Bank of Scotland plc
7 Cambridge Crescent
Harrogate
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Trustees' report Year to 31 December 2021

The trustees present their statutory report and the accounts of the Society of the Holy Child Jesus CIO (the "charity") for the year to 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set on pages 44 to 49 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

Worship and prayer are integral to the lives of the members of the Society. Each sister is given the opportunity for private prayer and continued spiritual and theological development. Members avail of opportunities to celebrate and pray with the wider community when possible. Several sisters provide spiritual guidance and are available to listen to people who need support. Some give occasional retreats and days of reflection.

Mission (continued)

Grant Making

The charity accepts applications for grants from other charities and not for profit organisations. An annual grant making budget of £900,000 is approved by the trustees. The trustees' grant making policy is posted on the charity's grant making website (www.shcj.co.uk) 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.

Caring for members of the Society

The majority of sisters are over 80 years of age. While a number are still active in ministry an increasing number are in need of extra care. Apley Grange, a CQC registered care home in Harrogate, Yorkshire provides for this care. Apley Grange also cares for a small number of private residents.

Education

Having previously been involved in teaching, particularly in schools founded by the Society, three 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.

Human development, social and pastoral work

Several members of the Society are involved in various forms of human development, facilitation, social and pastoral work in different parts of 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.

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.

Activities, specific objectives and relevant policies

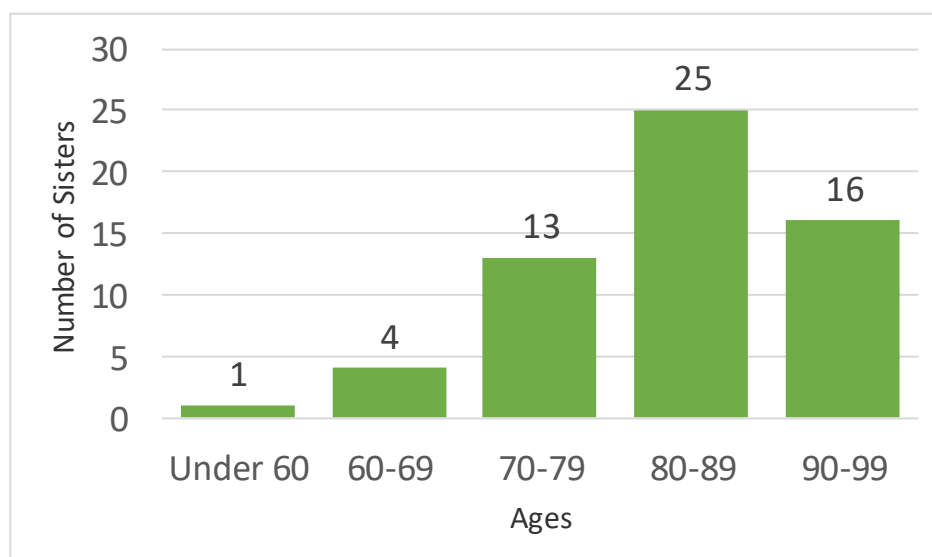
Activities and specific objectives

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 such that the majority of sisters are over 80 years of age 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 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.

Given the age profile there is 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.

Activities, specific objectives and relevant policies (continued)

Caring for members of the Society (continued)

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 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 local groups and charities 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 prayer and reflection, 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)

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.

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.

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.

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.

- ◆ Two sisters teach at tertiary level (Biblical Studies, Canon Law, Christian Ethics, and Pastoral Theology);
- ◆ One sister teaches at primary level and counsels students at second level;
- ◆ Three sisters serve as governors of schools;
- ◆ One sister is involved in adult education through the University of the Third Age (U3A);
- ◆ Sisters support a network of schools founded by the Society by means of an annual meeting of headteachers; and
- ◆ The community of five sisters in Oxford supports 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 six 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 and local 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. Sisters who are retired continue to support parishioners, be involved in local charities and support of community social work such as local foodbanks.

Activities, specific objectives and relevant policies (continued)

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

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 contributes financially to rapidly developing educational ministries in Ghana and Nigeria in the African Province of the Society.

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.

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 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

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 £256,250.

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.

Activities, specific objectives and relevant policies (continued)

Investment policy and performance (continued)

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 and comply with the ethical guidelines given to them.

During the period, the charity's investments achieved an income yield of 2% (period to 31 December 2020 – 3%). At the end of the period the charity's portfolio of listed investments comprised 47% UK equities (period to 31 December 2020 – 56%), 47% overseas stocks (period to 31 December 2020 – 42%) and 6% cash (period to 31 December 2020 – 2%).

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 year ended 31 December 2021, 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 continued to be impacted by the Covid-19 pandemic.

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.

Achievements and performance (continued)

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

- ◆ 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.

During the year 55 grants totalling £1,024,912 were paid out (see note 6 to the accounts).

In 2021 charities were still experiencing the ongoing effects of the pandemic. However, most of the charities that the Society supported with grants adapted to the circumstances and managed to find new and sometimes innovative ways to keep providing their services. Most reported that fundraising was still a challenge particularly in terms of events, community and corporate fundraising which sometimes still couldn't go ahead or was greatly reduced. This made the grants from the Society ever more vital at this time.

We established a website dedicated to our grant making – www.shcj.co.uk. This has made it much easier for applicants to be aware of our priorities and our grant making policy. Applicants can submit their applications through the website. In the last year the number of applications for grants has more than trebled.



Apps for Good was established in 2010 to empower young people to improve their lives, their communities, and wider society, using technology. Their vision is for young people, from all backgrounds, to have the skills and confidence they need to thrive, to take action and make a difference. They support and empower educators to teach young people everything they need to use technology to create a brighter future for themselves and their community. They want to ensure that tech careers are open to everyone, while making sure the sector works to solve society's biggest problems.

- ◆ They provide rigorous, evidence-based, free learning programmes with lesson plans and engaging activities, used by teachers across the UK.
- ◆ Activities encourage students to think about the world around them and challenge them to create digital products to help solve the problems that they find.
- ◆ They engage volunteers from the UK's leading companies, to enhance the learning experience for students and teachers, particularly those in disadvantaged schools.
- ◆ Students showcase their projects and get expert feedback at the Apps for Good annual awards.

Achievements and performance (continued)

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

Grant: £19,000 towards the Climate Change Learning Programme

A grant towards the new Climate Change learning programme was requested to help guide young people to design and build a technology-led solution to a problem that causes or contributes to global climate change. The programme gives young people an understanding of the key issues, including environmental justice. By the end of the programme students create a prototype app and are able to pitch their idea to industry 'experts', demonstrating what they have learned and getting feedback on what they have produced.

Impact

The grant given enabled 20 UK educators to deliver the Apps For Good Climate Programme benefiting approximately 600 children and young people. By training educators Apps for Good has an impact not just on the lives of individual teachers but on a generation of young people and, through the skills they gain and the products they create, on their communities and the planet. Apps for Good have reached more than 200,000 young people in 4,270 UK schools since 2010

Case Study - Chris Aitken -teacher

When I first started teaching there was a fundamental change in how the curriculum was delivered, and a lot of that revolved around giving young people personal choice, projects and all of these things. I saw an article on TES about Apps for Good, on how they were doing great things in the centre of London. I immediately emailed Apps for Good and said could we do this in Scotland.

I thought it was such a lovely fit for how the course is structured and how it fit into our curriculum, we just had to make it happen. It put our students on a trajectory that inspired them to take Computer Science. It really was an incredible experience for our pupils for six or seven years, an experience that is going to last a lifetime for them and will stand them in good stead with confidence and connections to people in industry and job opportunities from the back of it.



Even for those that weren't engaged in education there was something special in the Apps for Good course and a lot of my students have gone on to choose careers in digital simply because of where things started with Apps for Good.

Achievements and performance (continued)

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

Baby Basics has been working in Sheffield since 2009 providing essential baby/toddler equipment to vulnerable women, including but not limited to, teenage mums, women seeking asylum, women fleeing domestic abuse and trafficking. They provide thousands of items of provision from cots and push chairs to beautiful new-born Moses basket starter packs containing clothing, bedding and toiletries. Baby Basics works closely with midwives, health visitors and other agencies to provide a safe, reliable service that people can trust. Their aim is to not only provide some of the essentials needed but to do so in a way that preserves dignity and speaks the truth about how valued these women and their children are.



Baby Basics doesn't just donate useful items to people in need, it restores dignity to women who have lost their sense of it through domestic abuse, poverty or displacement. It involves people of all ages in the community, from children who decorate the gift boxes, to older people who knit blankets and baby clothes with as much love and care as if they were



for their own grandchildren. Poverty can render people, particularly women, vulnerable to exploitation and severely limits their choices, the simple act of providing some of the basics needed can offer women choices.

Since the Covid-19 pandemic began Baby Basics has seen a huge increase (166%) in demand across the UK. The centre in Sheffield has seen a massive 400%+ increase in demand. All their centres continued to run throughout the pandemic and 100% of referrals have been completed.

Grant: £20,000 toward core costs

The Society granted £20,000 to support ongoing costs and allow Baby Basics to grow their network to reach more vulnerable families.

Impact

The grant given helped Baby Basics increase their capacity in 2021. They supported over 35,000 children and opened a further 10 centres bringing the total number of centres to 56.

Achievements and performance (continued)

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

Case Study – NHS midwife working with vulnerable women in Sheffield

This quote from a woman who was staying in a refuge after leaving a violent partner and was helped by Baby Basics demonstrates this... 'Today Baby Basics have given me a choice. Before, in order to be able to give my baby the things it needed I had to go back to a violent man. But with this pack I have the freedom to stay in a safe place and still provide for my baby...'. I find it hard to put into words what a crucial service Baby Basics is, as a midwife it helps me to provide safe care for my clients. There are no other services that could fill this gap locally.



CHAS Bristol has been providing specialist housing advice, practical support and advocacy for marginalised people in poverty for over 55 years. They connect at grassroots levels to help clients achieve lasting solutions - a safe, permanent home appropriate for their needs – recognising that their problems often go deeper than their income, or their housing issues.

They offer translation for non-English speakers, and mediation where needed in dispute resolutions with landlords / ladies. They accompany clients to meetings and court hearings, and/or advocate on their behalf (e.g. with social services, benefits offices). They help them to raise money e.g. by applying for emergency grants or in other ways



like finding a lodger to help meet the rent. CHAS Bristol help clients understand their rights and responsibilities, so that they feel confident to speak directly to their landlords about eviction, repairs, rent increases and are empowered to help themselves.

Grant: £15,000 toward core costs

The grant was requested to help the charity respond to the huge increase in demand for services from both their community partners and their clients.

Impact

CHAS Bristol were able to help 426 families, 970 people (including 460 children in families). The charity consistently achieves positive outcomes and this benefits the whole household.

Achievements and performance (continued)

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

Case Study

"I don't know how to give thanks for everything you've done for me.... the service CHAS provides is number one, it cannot be beaten by other services".

When Thomas first came to CHAS, he was in severe rent arrears and was facing eviction after having separated from his wife. Thomas cannot read or write - his wife used to manage all their finances; after they separated, the paperwork and bills quickly got on top of him. His zero hours job meant he did not have a steady income, making financial management even more difficult. Additionally, with his wife moving out, Thomas was now liable for bedroom tax on his two empty bedrooms. CHAS worked with Thomas to suspend the possession warrant and apply for Universal Credit; supporting him to secure an emergency charity grant for that month's rent while his claim was pending. To stabilise his situation in the longer-term, CHAS helped him agree a long-term debt repayment plan and find lodgers for his spare rooms. Thomas was prevented from becoming homeless and is now in a much more secure position. CHAS helped him to be flagged within the highest priority group for being rehoused via their local social housing agency - HomeChoice. He needs a more affordable home in the long run; which HomeChoice can help him access once his rent arrears have cleared via the debt relief support.



Read Easy provides free, confidential, one-to-one reading coaching for adults, from trained volunteers, through local-run, affiliated volunteer groups. The first Read Easy group was set up in Dorset in 2010.

Each Read Easy group is set up and managed by local volunteers with day-to-day support for volunteer Reading Coaches and Readers provided by the local group's Coordinator, who is also a volunteer. All volunteers are provided with high quality training from our freelance specialist Regional Trainers, along with handbooks and other information and resources for their roles.

New 'Readers' are referred by Job Centres, Social Services, local NHS trusts and libraries, or self-refer. The confidential one-to-one nature of the service is vital to encouraging people to come forward and ask for help. Many adults are deeply embarrassed and ashamed by the fact that they are unable to read and have bad memories of school. Working with one dedicated volunteer coach, a supportive and trusting bond develops between the pair, which helps motivate the Reader to complete the course.



Achievements and performance (continued)

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

All Readers follow a highly-effective phonics-based programme called 'Turning Pages', which is published by the charity The Shannon Trust. The programme takes people systematically through the learning process step by step, and steadily builds their confidence. As learners discover that they can read, their self-esteem grows, and their excitement about the opportunities that are opening-up to them for them first time.

Grant: £20,000 toward core costs

The grant is supporting existing Read Easy groups across England and enabling new projects to start.

Impact

The grant provided by the Society not only helped increase the financial stability of Read Easy but is enabling them to start up new Read Easy groups in towns and cities where there is no provision for adult reading. There are currently 37 affiliated groups across England, with a further 15 groups in development, involving over 1,000 Volunteers in total. Since their small beginnings, more than 1,400 Readers have enrolled onto the programme, with more than 550 adults currently learning to read.

Case Study

Joanne had a chaotic childhood, leaving home at a young age she lived with aunties and uncles and didn't have a great deal of support or routine. She struggled at school and left education the moment she could, without being able to read or write very well. Despite her limited literacy skills, Joanne was a hard worker, getting her first job at the age of 13. She was determined to buy her own house and using a financial adviser to help her complete all the paperwork, she got her first house at just 21. Unfortunately, not being able to read well meant that life remained challenging and stressful for Joanne. Going to the doctors was a stressful event, as was joining a gym, and anywhere she knew she would have to fill in forms. A turning point came when she was married with two children and whilst trying to read a story her daughter, aged 7, said "Mummy you can't read very well, can you?" she knew she had to face her fears and finally seek help.

Joanne found out about Read Easy Nottingham and met group Co-ordinator Louise. She felt sick with nerves but found it comforting talking to Louise, who praised her for what she did know, unlike her family, who had criticized her for what she didn't know. She immediately felt more confident and when linked with reading coach Fiona, she started her sessions, determined to learn to read.

Now Joanne is correcting her daughter's reading and is able to help her son with his phonics. She says that a whole new world has opened up to her, a world she sees with fresh eyes. She can read road signs, shop signs and is able to read the letters that arrive in the post. Joanne says "I just want to thank both Louise for making this dream happen for me and Fiona, for all the super coaching, support and encouragement. You are a truly amazing person. You've changed my life and I feel so privileged to have had this opportunity."

Achievements and performance (continued)

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



Rekindle Ail-ddeffro

Getting young people talking about mental health
Cael pobl ifanc i siarad am iechedd meddwl

Rekindle is a UK registered charity in England and Wales. No. 1067356
Incorporating The Small Steps Project

help@rekindle.org.uk
01686 722222

Rekindle is a mental health charity based in Newtown Powys, Wales with clients from rural Mid Wales and Shropshire. It was set up in 1997 by a group of people who had all experienced mental health problems. The Small Steps Project was set up specifically to help young people aged 16 to 25, who are disabled by mental illness. This group has tended to be neglected by the statutory services, falling between childhood and adulthood. Young people respond well to the Small Steps recovery model of early, personalised intervention and many recovered young clients now play a role as volunteers.

Grant: £20,000 toward a pandemic recovery programme and core services

During the Pandemic Small Steps found itself responding to people in great need of immediate help and nowhere else to turn. Many of the existing problems of their clients such as isolation, anxiety, relationship issues and conflict were heightened to crisis point. Small Steps requested financial support for a pandemic recovery programme and for core costs.



Impact

The grant helped provide planned recovery to around 100 clients helping their mental health and transforming them into happy and healthy participating people.

Case Study

Marie came to Small Steps on her 16th birthday. She is a determined but gentle girl with definite goals: getting a full-time job, holding a passport, going on holiday. However, at this time she was deeply troubled, naive, vulnerable and withdrawn. She was undernourished and had scabies. She was a looked-after child (by the local authority) from a dysfunctional and abusive family who had evicted her at a young age. A spell in a homeless hostel subjected her to sexual grooming, exploitation, and trafficking. She was on the streets late at night and vulnerable to drug networks. The police were on constant look out for her. It was the police who made her aware of Small Steps.

Achievements and performance (continued)

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

Through a structured plan of recovery, Marie has developed resilience and learnt to make good decisions. Housing, food, clothing, personal hygiene and even social skills such as how to talk on the telephone, all had to be addressed. She needed nurturing as well as therapy. In due course she volunteered at a takeaway and was soon taken on permanently as a cook, server and taking orders. Work has become like a family to her.

Marie is now 19. She has her own flat, a healthy relationship with her boyfriend and at last with her own family. She still needs support, and often comes to Small Steps but she has met her goals and is on her way.

woman's Trust

Woman's Trust has 25+ years' experience of providing person-centered, trauma informed specialist therapeutic support to women in London. Domestic abuse can affect anyone, but repeated and severe abuse most frequently happens to women, leaving physical and emotional scars that can last a lifetime. Woman's Trust services help women overcome the mental and emotional harm caused by domestic abuse and rebuild their lives. They increase a woman's capacity to help herself and her children, improving her mental health, resilience, and self-esteem; reducing her vulnerability to repeat abuse.

Services:

- ◆ Person-Centered 1 to 1 Counselling sessions -. Counsellors help women explore, understand, and overcome their experiences.
- ◆ Therapeutic Support Groups - held over 8 weeks and facilitated by a counsellor, groups tackle isolation and enable peer support.
- ◆ Self-Development Workshops and Webinars - teaching women about domestic abuse; its effects on them and their children; and learning the skills and strategies to cope and move forward.

Since the pandemic began Woman's Trust have responded to increased demand for support from women approaching them for the first time for mental health support. This included women whose abuse got worse, happened for the first time, or who found themselves unable to cope due to their past domestic abuse experiences. All services were changed to remote delivery.



Achievements and performance (continued)

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

Grant: £25,000 towards core costs

The request was for funding to allow the charity to become stronger and more sustainable.

Impact

The grant from the Society not only enabled Woman's Trust to sustain their services but also gave them the flexibility to adapt services to ensure that they are providing support where it is most needed and to grow their partnership work, hence reaching more women. They are the largest provider of specialist domestic abuse counselling in London. They supported 450 women in counselling in 2021.

Case Study

I came to Woman's Trust through a referral from Talking Therapies. I had been suffering from domestic abuse for 12 years and had only disclosed it this year. I needed somewhere to talk and let out the feelings that I had suppressed for so long. I was offered a place on the support group sessions on Zoom, due to Covid-19. It has been a very difficult time for me during Covid-19 as I had taken the first step to remove myself and the children from the domestic violence. But we were isolated, and our abuser was targeting us as police and other services were busy with the pandemic. I was happy that I had the weekly session with Woman's Trust as I did not feel that I was alone. The group counsellor would phone before each session to see how I was coping. I was able to talk and listen to others and realised that I was not alone. My ex-partner made me believe that everything was all my fault. I was able to share my story and my confidence grew. When I had issues which were troubling me, I was able to speak to others. After 12 years of abuse I felt valued, respected and treated like a human being.

Support of Society Ministry in the Africa Province

The African Province of the Society of the Holy Child 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.

In 2021 we continued our support of the educational ministries being developed by the African Province of the Society in Cape Coast, Ghana and in Asa, Nigeria. The second phase of funding was granted for the development of a boy's dormitory at Cape Coast Junior High School and a multipurpose hall and property wall at Holy Child College, Asa, Otuko, Nigeria.



Achievements and performance (continued)

Support of Society Ministry in the Africa Province (continued)

The boy's dormitory in Cape Coast is still under construction. Sr Lilian Okwechime, Head Mistress, writes:



We are grateful to the European province for their financial support. The dormitories will be of great benefit to students, parents and the entire school community. They will help to reduce or eliminate lateness to school by students. Students will be able to maximise their study hall time under effective supervision. They will have the opportunity to meet new people and develop lasting friendships through social, educational, cultural and recreational opportunities.

The multipurpose hall at Holy Child College, Asa, Otukpo, Nigeria, which can hold 1,500 people will play a very important role in the life of the school.

It will be a place for students activities and school events such as assemblies, movie nights, drama, musical performances, graduations, speech and prize giving, liturgy and other activities that have previously been conducted outside exposing the students to excessive heat. It will aid and facilitate the official accreditation of the school as a Center for External Examinations such as those run by the West African Examinations Council, the National Examinations Council and the General Certificate Examinations. The hall will be used by the students in writing the compulsory external examinations both at Junior and Senior level, these cannot be written in regular classrooms. Sister Genevieve, School Administrator.



Achievements and performance (continued)

Support of Society Ministry in the Africa Province (continued)

Security is of paramount importance in Benue State, Nigeria hence the importance of a property fence wall around the school site to ensure that children are secure from bandits and any other harm. A wall also helps to forestall encroachment of herdsmen seeking pasture for their cattle. The gate and gate house are still under construction.

With the growth of membership and ministries in the Africa province there is an ongoing need for new accommodation for sisters. A second phase of funding was approved for the construction of a convent in Jikwoyi, Abuja, Nigeria. Construction was severely delayed as a result of the heavy rain season and Covid 19 which impacted heavily on the cost of materials. In December 2021 the convent was handed over to the Society by the contractor. It will provide accommodation for sisters who work in nearby Cornelian Jubilee



Hospital, Jikwoyi. Sister Assumpta, Hospital Administrator writes: *We are grateful for the concern about sisters working in Jikwoyi and the provision of a home for them. The convent close to the hospital means that the sisters are now nearby and available when there are emergencies, especially at night. Proximity to the hospital will enable the sisters to have a more balanced life of ministry, prayer and community. Living among the people we are serving will help us to share our mission with them and help them to know that God lives and acts in them and in our world and to rejoice in God's presence.*

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 2021 there were 34 long term residents.

Covid-19 continued to have a significant impact on the day to day running of the home. Covid cases were kept to a minimum through meticulous infection control. The home has a dedicated team of permanent staff who are very flexible about their rotas. These staff members were supplemented from the home's own bank staff when needed hence there was no need to engage agency staff. Vaccinations were rolled out in January and April with boosters being given in September. The clinical lead continued to have routine meetings with the CQC and the local authority to discuss Covid-19 related matters. In March Apley Grange recommenced the admission of respite care residents who are fully vaccinated.

Achievements and performance (continued)

Care for Retired Sisters (continued)

The restrictions on visits were hard on residents. However, the sisters in the care home were very inclusive of the private residents and this added to their well-being. When visiting inside was restricted the staff facilitated window visits and socially distanced visits in the garden. Gazebos were bought and erected for inclement weather and use was made of a large day centre which was sanitized after every use. The staff supported residents to stay in touch with family and friends by using Zoom and enabled the sisters to be part of congregational meetings on Zoom.

Social opportunities for the residents were severely curtailed. The staff ensured that the home had its own entertainment and social occasions. There were celebrations for birthdays, feast days, and anniversaries. M&S shopping days were arranged in the home, as well as a barbeque and a fireworks display.

During the year the well-established Pastoral Care Team was strengthened by the appointment of a full time Pastoral Care Coordinator. She manages the team and is responsible for development of the pastoral care service which includes attendance to spiritual care and all non-clinical well-being. The Pastoral Care Team takes a holistic approach encouraging all residents to feel empowered to reach their goals and needs.

Electronic care planning was introduced at the end of the year following training of all staff in its use. Electronic plans will be more secure than paper plans, will ensure accurate up to date information is always available, and enable quick searches to find specific information, all to the benefit of both residents and staff.



Covid-19 resulted in a lack of training opportunities for staff. The home introduced e-learning and more in house training. The home is in contact with the Community Research Team and are participating in studies to stay updated and improve patient care and outcomes.

A survey which the home manager sent to staff indicated that staff felt supported and happy in their work despite the challenges of Covid-19.

A space utilisation survey of the site of Apley Grange has indicated that space is not being used as efficiently as it could be. As a result of this there are plans to increase capacity at Apley Grange so as to be able to increase the number of long-term residents.

The trustees express their gratitude to the management and staff at Apley Grange for their leadership, dedication and provision of excellent care during the year.

Achievements and performance (continued)

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 in some cases through the appointment of governors.

Each year the Society runs a residential conference for head teachers 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.



Covid-19 restrictions meant that again in 2021 the schools could not physically meet together again but their link with the SHCJ community has helped to keep the schools in contact with each other throughout the year. During the year the schools had celebrations to mark the Society's 175th anniversary. Many of these focused on care of the environment. A Zoom meeting of the network took place in September 2021. A face-to-face meeting was held in March 2022 to celebrate and articulate their common Holy Child identity and mission.

Worship and Prayer

Sisters continued to live and deepen their life of prayer and their spiritual lives. This too was impacted by the ongoing situation created by Covid-19. Online worship continued to be important when sisters felt unsafe in churches. The online prayer opportunities offered by sisters and associates using Zoom continued to be offered through the year.

Human and spiritual development and pastoral work

Sisters continued to offer spiritual direction online using online platforms and accompanied people on individually guided retreats, again mainly using online platforms.

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.



Achievements and performance (continued)

Human and spiritual development and pastoral work (continued)

The Cherwell Centre is a space in Oxford where individuals and groups may avail of quiet days of reflection, retreat. Groups can use the conference room for training sessions or meetings. In the last year the Centre was used by the following groups: Family Links, Windle Trust, University Church, Read Easy Oxford and Oxford University Catholic Chaplaincy. The Society also used the centre for Trustee meetings, province leadership meetings and other province meetings. Covid-19 continued to impact heavily on both bookings for accommodation and use of the centre. Bookings have not returned to pre pandemic levels.



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 Unicef – appeals for Afghanistan and Covid-19 vaccinations, Age UK, Crisis at Christmas, Mary's Meals, Salford Loaves and Fishes, Dover Baptist Church, The Passage and Providence Row.

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. This year they celebrated the Society's 175th anniversary with the planting of 175 trees between the Laudato Si Centre at Wardley Hall, Salford and the National Forest.

Covid-19

Covid-19 presented challenges to the trustees throughout 2021. Individual sisters continued to have their lives disrupted and many were unable to be involved in local parishes and charities as they would normally be. They continued to find other ways of engaging with people primarily by more use of technology. The management of Apley Grange found that day to day operations were impacted by Covid 19. Their focus was on infection control, the physical, mental and spiritual well-being of all residents in the midst of tight restriction, the drafting of a new contract for private residents to take account of changes in the Home's insurance as a result of Covid-19, and regular review of the admissions policy.

The Cherwell Centre was closed for four months in 2021 and bookings were very slow for the rest of the year. The loss of demand now raises questions for the trustees about future use of the centre.

The charity's income has been affected by reduced income particularly at Apley Grange. However, demand for places in the care home is increasing again and the trustees are now planning to increase the capacity of the Home.

Trustees' report Year to 31 December 2021

Financial review

Results for the period

A summary of the results for the year to 31 December 2021 can be found on page 40 of this report and accounts.

Total income amounted to £4.02 million (period to 31 December 2020: £4.67m). £0.84 million (period to 31 December 2020: £1.2m) was received by way of donations and legacies. This figure includes salaries and pensions of the sisters amounting to £0.83 million donated to the charity using a Gift Aid compliant deed of covenant (period to 31 December 2020: £1.1m). Investment income and interest receivable totalled £1.9 million (period to 31 December 2020: £2.7m).

Expenditure for the period ended 31 December 2021 totalled £7.74 million (period to 31 December 2020: £7.89 million). The total expenditure on the provision of residential care services to fee paying residents was £0.5 million (period to 31 December 2020: £0.7 million) with staff costs representing a very significant proportion of this. Staff costs in total amounted to £1.6 million (period to 31 December 2020: £2.1 million). Total expenditure incurred on maintaining the members of the Society and supporting them in their pastoral work and ministry amounted to £2.5 million (period to 31 December 2020: £3.2 million). Grants and donations amounted to £4.5 million (period to 31 December 2020: £3.6 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 £0.3 million (period to 31 December 2020: £0.4 million).

Net expenditure before net investment gains was £3,717,745 (period to 31 December 2020: net expenditure £3,216,911). Net investment gains of £7,836,949 (period to 31 December 2020: £6,714,355) resulted in a net increase in funds for the period of £4,119,204 (period to 31 December 2020: net increase of £3,497,444).

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 aftermath of the Covid-19 pandemic.

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 review (continued)

Reserves policy and financial position (continued)

Financial position

At 31 December 2021, the charity had net assets totalling £114,223,483 (period to 31 December 2020: £110,104,279).

Of this, £4.4 million was restricted and was to be applied for specific purposes.

A further £88.3 million had been set aside or designated by the trustees for specific reasons:

- ♦ £30.9 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 2021. The calculations, based on actuarial assumptions, indicated that £30.9 million was needed to be set aside to provide support for Sisters in their retirement (2020: £32.4 million). Therefore £1.5 million was released into general funds.
- ♦ £34.7 million had been set aside for the continued development of a formal grant making programme;
- ♦ £16.7 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;
- ♦ £6.0 million had been designated for the development and refurbishment of property.

£8.0 million (period to 31 December 2020: £8.4 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 2021, the CIO had free reserves of £13.6 million (31 December 2020: £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 trustees do not anticipate any significant change to the charity or its activities over the next two to five years. They aim to meet the following objectives:

- ◆ Monitoring the needs of sisters as they grow older and, as necessary, adapting 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.
- ◆ Increasing the capacity of the Society's care home, Apley Grange.

Trustees' report Year to 31 December 2021

Future plans (continued)

- ◆ Implementing the enactments of the Province Chapter of September 2021 and preparing for a Society General Chapter in April 2022. 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 and adapting to implement the enactments of the General Chapter 2022.
- ◆ 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 members of the CIO have 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 five 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 Jenny Bullen

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

Sister Helen Costigane

Sister Helen is a canon lawyer. She has lectured in Christian Ethics and Canon Law and served as Province Bursar for a number of years. She is a member of the Society's international finance and planning committee.

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 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 Monica Matthews

Sister Monica is Vicar for Religious for the Diocese of Northampton, a member of the executive of the Conference of Religious in England and Wales and a school governor. She previously served as Province Leader for six years.

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.

Governance, structure and management (continued)

Governance (continued)

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.

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.

Governance, structure and management (continued)

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 59 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.

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.

Governance, structure and management (continued)

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 and the Generalate in Rome;
- ◆ 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; Le Chéile Schools Trust (Ireland);
- ◆ Salford Loaves and Fishes; CAFOD,
- ◆ Conferences of Religious (England, Wales and Ireland); the Association of Provincial Bursars (England and Ireland).

Risk management

The Covid-19 pandemic presented us with challenges and threats to the well-being of our charity and its activities. These are now reflected in our risk assessment. 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.

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, and the skills and training of its members and staff, and the good use of resources.

Governance, structure and management (continued)

Risk management (continued)

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.

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 vulnerable members of the Society. The care home at Apley Grange has its own safeguarding policy and training sessions are regularly given to staff. Safeguarding in the Catholic Church is being restructured. In the past the Society as aligned with the Roman Catholic Diocese of Lancaster Safeguarding Commission. It is now a member of the Catholic Safeguarding Standards Agency (CSSA) to whom it is accountable and with whom it contracts services. The Society is also a member of the Religious Life Safeguarding Service (RLSS) which will provide services similar to those previously provided by the Diocese of Lancaster Safeguarding Commission. Should there be an allegation of historic abuse, the Society is very well supported.

Governance, structure and management (continued)

Risk management (continued)

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.

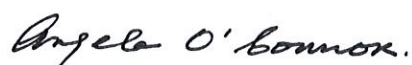
5. Covid-19

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.

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: 8th June 2022

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 year ended 31 December 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and 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 2021 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;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

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

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

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

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

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: 11 July 2022

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

Statement of financial activities Year ended 31 December 2021

		Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
		Unrestricted funds £	Restricted funds £	Total funds 2021 £	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Income from:							
Donations	1	848,684	—	848,684	1,208,099	10,750	1,218,849
Investments and interest receivable	2	1,780,441	89,109	1,869,550	2,532,805	118,861	2,651,666
Charitable activities							
. Residential care home		482,668	—	482,668	713,613	—	713,613
Other sources							
. Miscellaneous income		2,473	—	2,473	28,713	—	28,713
. Government Coronavirus related grants		—	69,159	69,159	—	56,364	56,364
. Surplus on disposal of tangible fixed assets	3	749,030	—	749,030	291	—	291
Total income		3,863,296	158,268	4,021,564	4,483,521	185,975	4,669,496
Expenditure on:							
Raising funds							
. Investment management costs		252,729	—	252,729	370,139	—	370,139
Charitable activities							
. Support of members of the Society and their ministry	4	2,478,720	48,917	2,527,637	3,232,404	—	3,232,404
. Provision of residential care services	5	470,908	20,242	491,150	670,301	56,364	726,665
. Donations and grants in support of charitable activities	6	4,404,793	63,000	4,467,793	3,466,791	90,408	3,557,199
Total expenditure		7,607,150	132,159	7,739,309	7,739,635	146,772	7,886,407
Net (expenditure) income for the period before gains on investments	8	(3,743,854)	26,109	(3,717,745)	(3,256,114)	39,203	(3,216,911)
Net investment gains		7,585,879	251,070	7,836,949	6,401,970	312,385	6,714,355
Net income and net movement in funds		3,842,025	277,179	4,119,204	3,145,856	351,588	3,497,444
Reconciliation of funds:							
Fund balances at start of period		105,998,199	4,106,080	110,104,279	102,852,343	3,754,492	106,606,835
Fund balances at 31 December		109,840,224	4,383,259	114,223,483	105,998,199	4,106,080	110,104,279

Balance sheet 31 December 2021

	Notes	31 December 2021 £	31 December 2020 £
Fixed assets:			
Tangible assets	11	7,970,977	8,455,535
Investments	12	105,567,664	101,185,884
		<u>113,538,641</u>	<u>109,641,419</u>
Current assets:			
Debtors	13	128,190	127,763
Cash at bank and in hand		1,215,905	1,110,133
Total current assets		<u>1,344,095</u>	<u>1,237,896</u>
Liabilities:			
Creditors: amounts falling due within one year	14	(569,253)	(640,036)
Net current (liabilities) assets		<u>774,842</u>	<u>597,860</u>
Total net assets less current liabilities		<u>114,313,483</u>	<u>110,239,279</u>
Creditors: amounts falling due after more than one year	14	(90,000)	(135,000)
Total net assets		<u>114,223,483</u>	<u>110,104,279</u>
The funds of the charity:			
Restricted funds	15	4,383,259	4,106,080
Unrestricted funds			
. Designated funds	16	88,309,276	84,209,281
. Tangible fixed assets fund	17	7,970,977	8,455,535
. General funds		13,559,971	13,333,383
		<u>114,223,483</u>	<u>110,104,279</u>

Approved by the trustees
and signed on their behalf by:

Angela O'bannon.

Trustee

Approved on: *8th June 2022.*

Statement of cash flows Year ended 31 December 2021

	Notes	Year ended 31 December 2021 £	Period from 1 September 2019 to 31 December 2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(6,215,392)	(5,378,811)
Cash flows from investing activities:			
Investment income and interest received		1,865,286	2,774,763
Proceeds from the disposal of tangible fixed assets		1,131,920	291
Purchase of tangible fixed assets		(131,211)	(76,998)
Proceeds from the disposal of investments		47,067,759	28,992,818
Purchase of investments		(38,818,058)	(27,340,172)
Net cash provided by investing activities		11,115,696	4,350,702
Change in cash and cash equivalents in the period		4,900,304	(1,028,109)
Change in cash and cash equivalent due to exchange rate movements		31,277	(1,200)
Cash at bank and in hand at start of period		1,110,133	1,045,583
Cash held by investment managers at start of period		1,698,293	2,792,152
Cash and cash equivalents at 31 December	B	7,740,007	2,808,426

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

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

	Year ended 31 December 2021 £	Period ended 31 December 2020 £
Net movement in funds (as per the statement of financial activities)	4,119,204	3,497,444
Adjustments for:		
Depreciation charge	232,879	311,773
Gains on investments	(7,836,949)	(6,714,355)
Investment income and interest receivable	(1,869,550)	(2,651,666)
Net gains on disposal of tangible fixed assets	(749,030)	(291)
Decrease (increase) in debtors	3,837	208,607
Decrease in creditors	(115,783)	(30,323)
Net cash used in operating activities	(6,215,392)	(5,378,811)

Statement of cash flows Year ended 31 December 2021

B Analysis of cash and cash equivalents

	31 December 2021 £	31 December 2020 £
Cash at bank and in hand	1,215,905	1,110,133
Cash held by investment managers	6,524,102	1,698,293
Total cash and cash equivalents	7,740,007	2,808,426

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 Year ended 31 December 2021

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2021 with comparative information provided in respect to the period from 1 September 2019 to 31 December 2020.

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

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

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

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees 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)

With regard to the next accounting period, the year ending 31 December 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

However, 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.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, 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.

Income recognition (continued)

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

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 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

Expenditure recognition (continued)

- 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.

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.

Tangible fixed assets (continued)

♦ 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.

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.

Notes to the accounts Year ended 31 December 2021

1 Income from: Donations

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	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	830,478	—	830,748	1,134,079	—	1,134,079
Other donations	18,206	—	18,206	74,020	10,750	84,770
	848,684	—	848,684	1,208,099	10,750	1,218,849

2 Income from: Investments and interest receivable

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Investment income						
. Listed investments – UK	884,211	44,263	928,474	1,445,100	43,967	1,499,067
. Listed investments – Overseas	895,828	44,844	940,672	1,066,420	74,864	1,141,284
	1,780,039	89,107	1,869,146	2,521,520	118,831	2,640,351
Interest receivable						
. Interest on cash held by investment managers	68	2	70	8,776	30	8,806
. Bank interest – UK	334	—	334	2,509	—	2,509
	402	2	404	11,285	30	11,315
	1,780,441	89,109	1,869,550	2,532,805	118,861	2,651,666

3 Income from: Surplus on disposal of tangible fixed assets

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Surplus on disposal of motor vehicles	—	—	—	291	—	291
Surplus on disposal of land and buildings	749,030	—	749,030	—	—	—
	749,030	—	749,030	291	—	291

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

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Un-restricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Staff costs	1,236,160	—	1,236,160	1,650,972	—	1,650,972
Premises	629,028	—	629,028	700,037	—	700,037
Sisters' living and ministry expenses	477,378	48,917	526,295	717,910	—	717,910
Education, training and spiritual renewal	7,839	—	7,839	21,041	—	21,041
Governance costs (note 7)	108,592	—	108,592	88,170	—	88,170
Other	19,723	—	19,723	54,274	—	54,274
	2,478,720	48,917	2,527,637	3,232,404	—	3,232,404

5 Expenditure on: Provision of residential care services

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Un-restricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Staff costs	398,880	—	398,880	528,755	—	528,755
Premises	40,632	—	40,632	76,568	—	76,568
Welfare and other	31,396	20,242	51,638	64,978	56,364	121,342
	470,908	20,242	491,150	670,301	56,364	726,665

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

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Un-restricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Support of the work of the Society overseas						
Africa	3,242,413	—	3,242,413	2,598,451	10,750	2,609,201
Lagos	5,000	—	5,000	3,300	—	3,300
Chad	50	—	50	—	—	—
Generally through the Society's Generalate	64,846	—	64,846	96,910	—	96,910
	3,312,309	—	3,312,309	2,698,661	10,750	2,709,411
General donations – education						
Baytree Centre	—	15,000	15,000	—	—	—
Comboni Sisters	—	2,000	2,000	—	—	—
Create Arts	—	15,000	15,000	—	—	—
De La Salle School	—	—	—	—	20,000	20,000
Gatehouse	—	1,500	1,500	—	—	—
Girton College	—	—	—	—	10,539	10,539
Holy Child Community School, Sallynoggin	—	—	—	—	2,500	2,500
Life Skills – Mowbray	—	—	—	—	—	—
Community Church	—	2,000	2,000	—	—	—
Maryvale Institute	—	—	—	—	3,000	3,000
Peacechild	—	15,000	15,000	—	—	—
Priory School	—	—	—	—	10,000	10,000
Read Easy Oxford	—	1,500	1,500	—	1,000	1,000
Royal Philharmonic Orchestra	—	10,000	10,000	—	—	—
St Annes & Guardian Angels Primary School	—	—	—	—	7,987	7,987
St Augustines School	—	—	—	—	2,200	2,200
St Marys Catholic Academy	—	1,000	1,000	—	1,100	1,100
	—	63,000	63,000	—	58,326	58,326

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

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
General donations – other Institutions						
Care International UK	—	—	—	2,000	—	2,000
Casa Cornellia	—	—	—	—	5,000	5,000
CatEW	—	—	—	5,200	—	5,200
Darton Longman & Todd	5,000	—	5,000	—	—	—
Dementia UK	2,800	—	2,800	1,500	—	1,500
Dover Outreach Centre	—	—	—	1,500	—	1,500
Faith in the Community	5,000	—	5,000	—	—	—
Fareshare	5,000	—	5,000	10,000	—	10,000
Justice & Peace Network	1,000	—	1,000	—	—	—
Lebanese Maronite Order	—	—	—	5,000	—	5,000
Mobray Community Church	—	—	—	—	2,000	2,000
Montana Care Home	—	—	—	18,524	—	18,524
Pax Christi	1,000	—	1,000	—	—	—
Religious Life	—	—	—	—	—	—
Safeguarding Service	10,000	—	10,000	—	—	—
The Gatehouse	—	—	—	—	3,000	3,000
Unicef	10,000	—	10,000	6,000	—	6,000
Voluntary Sector North West	3,000	—	3,000	—	—	—
Where in the World fund	—	—	—	5,000	—	5,000
General donations under £1,000	12,500	—	12,500	12,800	6,432	19,232
	55,300	—	55,300	67,524	16,432	83,956
General donations to individuals	12,272	—	12,272	25,437	4,900	30,337

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

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Un-restricted Funds £	Restricted Funds £	Total £	Un-restricted Funds £	Restricted Funds £	Total £
Grants						
A Rocha UK	15,000	—	15,000	—	—	—
Abigail Housing	—	—	—	24,333	—	24,333
Advice for renters	24,600	—	24,600	—	—	—
Amber Trust	25,000	—	25,000	25,000	—	25,000
ANAWIM	—	—	—	18,000	—	18,000
Apps for Good	19,000	—	19,000	—	—	—
Asylum Welcome	—	—	—	24,941	—	24,941
ATLEU	25,000	—	25,000	—	—	—
Baby Basics	20,000	—	20,000	—	—	—
Back on Track Manchester	10,000	—	10,000	—	—	—
Bakhita House	20,000	—	20,000	20,000	—	20,000
Bangladeshi Women's Association	15,000	—	15,000	—	—	—
Beacon	—	—	—	20,000	—	20,000
Blackpool Foodbank	—	—	—	24,322	—	24,322
Bradford City of Sanctuary	—	—	—	11,653	—	11,653
Bridgebuilder Trust MK	—	—	—	7,000	—	7,000
Cardinal Hume Centre	20,000	—	20,000	—	—	—
Caritas Social Action Network	—	—	—	10,000	—	10,000
Catholic Association for Racial Justice	20,000	—	20,000	—	—	—
Catholic Workers Farm	25,000	—	25,000	—	—	—
CHAS Bristol	15,000	—	15,000	—	—	—
Children's Trust	25,000	—	25,000	—	—	—
Church Action on Poverty	—	—	—	20,000	—	20,000
Cirencester Housing for Young People	—	—	—	10,000	—	10,000
Cirencester Opportunity Group	22,214	—	22,214	22,170	—	22,170
Community Pride Salford CIC	—	—	—	13,000	—	13,000
Creative Dementia Arts Network	—	—	—	10,000	—	10,000
Didcot Train	—	—	—	25,000	—	25,000
Destitution Project Bolton	—	—	—	8,500	—	8,500
Disability First	—	—	—	25,000	—	25,000
ECPAT UK	25,000	—	25,000	—	—	—
Educare	—	—	—	12,500	—	12,500
Emmaus Oxford	—	—	—	25,000	—	25,000
Faithworks Wessex	20,000	—	20,000	—	—	—
Family Links	25,000	—	25,000	24,750	—	24,750
Family Works at St Johns	10,000	—	10,000	—	—	—
Father Hudson's Care	15,000	—	15,000	15,000	—	15,000
Fleetwood Trust	—	—	—	25,000	—	25,000
FoodCycle	10,703	—	10,703	—	—	—
Global Arrk	7,500	—	7,500	—	—	—
Groundworks	—	—	—	15,000	—	15,000
Hackney Migrant Centre	20,000	—	20,000	20,000	—	20,000
Hear Me Out Music	10,000	—	10,000	—	—	—
Independent Community Advocacy Network	25,000	—	25,000	—	—	—
International Care Network	10,000	—	10,000	—	—	—
Totals carried forward	479,017	—	479,017	456,169	—	456,169

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

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Un-restricted Funds £	Restricted Funds £	Total £	Un-restricted Funds £	Restricted Funds £	Total £
Grants						
Totals brought forward	479,017	—	479,017	456,169	—	456,169
It's a Penalty	15,000	—	15,000	—	—	—
Jesuit Refugee Service	—	—	—	10,000	—	10,000
Justice	5,000	—	5,000	7,000	—	7,000
Kenelm Youth Trust	—	—	—	20,000	—	7,000
Lantern Trust	20,000	—	20,000	—	—	—
Marine Conservation Society	—	—	—	10,000	—	10,000
Marriage Care	10,000	—	10,000	—	—	—
Music4WellBeing	10,000	—	10,000	—	—	—
MYTIME Young Carers	25,000	—	25,000	—	—	—
Newham Community Renewal Programme	24,425	—	24,425	—	—	—
Operation Noah	10,000	—	10,000	15,000	—	15,000
Oxford Winter Night Shelter	20,000	—	20,000	—	—	—
Plastic Oceans	—	—	—	12,000	—	12,000
Prama Life	16,000	—	16,000	—	—	—
Prisoners Education	25,000	—	25,000	—	—	—
Providence Row	20,000	—	20,000	—	—	—
Read Easy UK	20,000	—	20,000	—	—	—
Refugee Resource	24,500	—	24,500	20,000	—	20,000
Rekindle	20,000	—	20,000	—	—	—
Safe in Sussex	24,970	—	24,970	—	—	—
Salford Loaves and Fishes	25,000	—	25,000	20,000	—	20,000
Sanctuary Hosting	—	—	—	20,000	—	20,000
Sanctuary in Chichester	10,000	—	10,000	—	—	—
Shine Youth	18,000	—	18,000	10,000	—	10,000
South Harrow Christian Fellowship	—	—	—	15,000	—	15,000
Spitafields Crypt Trust	18,000	—	18,000	—	—	—
St Joseph's Hospice	20,000	—	20,000	15,000	—	15,000
St Simeon's Church Trust	—	—	—	10,000	—	10,000
Step by Step	20,000	—	20,000	—	—	—
Sullivan's Heros	25,000	—	25,000	—	—	—
Trees For Cities	—	—	—	10,000	—	10,000
Via Wings	10,000	—	10,000	—	—	—
Vineyard Community Centre	20,000	—	20,000	—	—	—
Voices in Exile	20,000	—	20,000	—	—	—
Wigan Youth Zone	20,000	—	20,000	—	—	—
Woman's Trust	25,000	—	25,000	—	—	—
Women at the Well	—	—	—	25,000	—	25,000
YMCA Burton	25,000	—	25,000	—	—	—
	1,024,912	—	1,024,912	675,169	—	675,169
Total donations and grants	4,404,793	63,000	4,467,793	3,466,791	90,408	3,557,199

Notes to the accounts Year ended 31 December 2021

7 Governance costs

	Year ended 31 December 2021			Period from 1 September 2019 to 31 December 2020		
	Un-restricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
Legal and professional fees	108,592	—	108,592	88,170	—	88,170

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

This is stated after charging (crediting):

	Year ended 31 December 2021 £	Period from 1 September 2019 to 31 December 2020 £
Staff costs (note 9)	1,594,598	2,122,219
Auditor's remuneration (including VAT)		
. Audit services – current year	31,200	31,000
. Audit services – prior year	—	1,838
. Non audit services: payroll and other consultancy	9,936	15,062
Depreciation	232,879	306,688
Operating lease charges	42,122	43,182

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

	Year ended 31 December 2021 £	Period from 1 September 2019 to 31 December 2020 £
Staff costs during the period were as follows:		
Wages and salaries	1,455,406	1,950,313
Social security costs	113,306	138,251
Pension costs	25,886	33,655
	1,594,598	2,122,219

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

	Year ended 31 December 2021	Period from 1 September 2019 to 31 December 2020
Support of Members of the Society and their ministry, the operation of residential care home and grant making	83	82

9 Staff costs, remuneration of key management personnel and trustees' remuneration (continued)

No employee earned above £60,000 per annum (including benefits) during the period (16 month period to 31 December 2020 – none).

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 year to 31 December 2021 was £124,012 (16 month period to 31 December 2020: £139,179).

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 (16 month period to 31 December 2020 – none).

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 year, the total amount donated by the trustees to the charity was £97,467 (16 month period to 31 December 2020: £80,886).

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 £			
Cost or valuation					
At 1 January 2021	3,857,947	6,292,662	1,908,452	114,915	12,173,976
Additions	—	46,551	84,660	—	131,211
Disposals and eliminations	(379,837)	—	(18,817)	—	(398,654)
At 31 December 2021	<u>3,478,110</u>	<u>6,339,213</u>	<u>1,974,295</u>	<u>114,915</u>	11,906,533
At cost	3,478,110	4,186,213	1,974,295	114,915	9,753,533
At deemed cost	—	2,153,000	—	—	2,153,000
	<u>3,478,110</u>	<u>6,339,213</u>	<u>1,974,295</u>	<u>114,915</u>	11,906,533
Depreciation					
At 1 January 2021	—	1,902,860	1,718,415	97,166	3,718,441
Charge for year	—	126,784	93,933	12,162	232,879
On disposals and eliminations	—	—	(15,764)	—	(15,764)
At 31 December 2021	<u>—</u>	<u>2,029,644</u>	<u>1,796,584</u>	<u>109,328</u>	3,935,556
Net book values					
At 31 December 2021	<u>3,478,110</u>	<u>4,309,569</u>	<u>177,711</u>	<u>5,587</u>	7,970,977
At 31 December 2020	<u>3,857,947</u>	<u>4,389,802</u>	<u>190,037</u>	<u>17,749</u>	8,455,535

11 Tangible fixed assets (continued)

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 2021 of £110,667.

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.

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 2021 £	31 December 2020 £
Listed investments	105,509,548	101,096,489
Unlisted investments		
. Deferred annuity contracts	58,116	89,395
	105,567,664	101,185,884
	31 December 2021 £	31 December 2020 £
Listed investments		
Fair (market) value at 1 January 2021	99,398,196	94,351,615
Additions	38,818,058	27,340,172
Disposals (proceeds: £47,067,759; realised gains: £2,410,148)	(44,657,610)	(31,488,569)
Net unrealised investment gains	5,426,801	9,194,978
Fair (market) value at 31 December 2021	98,985,445	99,398,196
Cash held by investment managers for reinvestment	6,524,102	1,698,293
	105,509,597	101,096,489
Cost of listed investments at 31 December 2021	83,099,956	78,928,238

12 Investments (continued)

Listed investments (excluding cash held by investment managers for re-investment) held at 31 December 2021 comprised the following:

	31 December 2021 £	31 December 2020 £
Listed investments – UK	49,169,703	54,050,974
Listed investments – Overseas	49,815,742	45,347,222
	98,985,445	99,398,196

The following holding represented a material holding when compared to the total portfolio valuation at 31 December 2021:

	Market value £	Percentage of portfolio %
Sarasin Climate active endowments fund class A income	36,923,135	37.4

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

At 31 May 2022 the charity's investment portfolio had decreased in value by 10.4%.

	31 December 2021 £	31 December 2020 £
Deferred annuity contracts		
Valuation at 1 January 2021	89,395	73,067
Additions	500	1,200
Withdrawals	(26,170)	—
Profit on withdrawal	2,751	—
(Deficit) surplus on revaluation	(7,360)	15,128
Valuation at 31 December 2021	59,116	89,395

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

13 Debtors

	31 December 2021 £	31 December 2020 £
Investment income and income tax recoverable	23,628	19,364
Care home fees receivable	43,749	17,191
Other debtors	5,065	4,775
Prepayments	55,748	86,433
	128,190	127,763

14 Creditors

	31 December 2021 £	31 December 2020 £
Amounts falling due within one year		
Monies administered by the charity on behalf of individual members of the Society	284,045	284,130
Care home fees received in advance	20,637	8,271
Accruals and expense creditors	219,571	292,635
Grants and donations payable	45,000	55,000
	569,253	640,036
Amounts falling due after more than one year		
Grants and donations payable	90,000	135,000

At 31 December 2021 the charity had committed to fund further donations totalling £2,202,433 (31 December 2020 - £1,677,930) which are payable on the satisfaction of certain conditions.

15 Restricted funds

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

	At 1 January 2021 £	Income £	Expenditure £	Gains £	At 31 December 2021 £
Cornelia Connelly Fund	4,106,080	89,109	(63,000)	251,070	4,383,259
Donations for specific purposes	—	69,159	(69,159)	—	—
	4,106,080	158,268	(132,159)	251,070	4,383,259

	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)	—	—
	3,754,492	185,975	(146,772)	312,385	4,106,080

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 January 2021 £	New designations £	Utilised/ released £	At 31 December 2021 £
Society Strategic Plan fund				
. Retirement fund for support of the African Province	8,907,539	967,792	—	9,875,331
. Support of goals	10,102,754	—	(3,242,413)	6,860,341
Property development and refurbishment fund	350,000	5,650,000	—	6,000,000
Grants reserve	32,432,098	3,258,140	(1,024,912)	34,665,326
Retirement reserve	32,416,890	—	(1,508,612)	30,908,278
	84,209,281	9,875,932	(5,775,937)	88,309,276

	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	—	8,907,539
. Support of goals	12,431,047	—	(2,328,293)	10,102,754
Property development and refurbishment fund	350,000	—	—	350,000
Grants reserve	20,075,815	13,031,462	(675,179)	32,432,098
Retirement reserve	40,000,000	—	(7,583,110)	32,416,890
	80,900,891	14,125,430	(10,817,040)	84,209,281

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 to 31 December 2020.

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. At 31 December 2021, £2,202,433 (31 December 2020 - £1,964,749) of the Support of Goals fund had been committed to specific projects, and becomes payable on satisfaction of certain conditions. The balance of the fund was £4,657,908 (31 December 2020 - £8,138,005).

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

16 Designated funds (continued)

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 January 2021	8,455,535
Net movement in the year	(484,558)
At 31 December 2021	7,970,977
	Total £
At 1 September 2019	8,690,310
Net movement in the period	(234,775)
At 31 December 2020	8,455,535

18 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total 2021 £
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	—	7,970,977	—	7,970,977
Investments	12,875,129	88,309,276	4,383,259	105,567,664
Net current assets	774,842	—	—	774,842
Creditors: amounts falling due after one year	(90,000)	—	—	(90,000)
Total net assets	13,559,971	96,280,253	4,383,259	114,223,483
	General funds £	Designated funds £	Restricted funds £	Total 2020 £
Fund balances at 31 December 2020 are represented by:				
Tangible fixed assets	—	8,455,535	—	8,455,535
Investments	12,870,523	84,209,281	4,106,080	101,185,884
Net current assets	597,860	—	—	597,860
Creditors: amounts falling due after one year	(135,000)	—	—	(135,000)
Total net assets	13,333,383	92,664,816	4,106,080	110,104,279

18 Analysis of net assets between funds (continued)

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

	31 December 2021 £	31 December 2020 £
Unrealised gains included above:		
On investments	15,885,494	20,469,963
Total unrealised gains at 31 December 2021	15,885,494	20,469,963
Reconciliation of movements in unrealised gains (losses)		
Unrealised gains at 1 January 2021	20,469,958	19,481,908
In respect to disposals in the period	(10,011,265)	(8,206,928)
	10,458,693	11,274,980
Add: net gains arising on revaluation arising in the period	5,426,801	9,194,978
Total unrealised gains at 31 December 2021	15,885,494	20,469,958

19 Operating lease commitments

At 31 December 2021, the charity had future minimum commitments in respect to non-cancellable operating leases in respect to land and buildings as follows:

	31 December 2021 £	31 December 2020 £
Land and buildings		
Payments which fall due:		
. Within one year	13,500	13,500
. Within two to five years	30,375	43,875
	43,875	57,375
Equipment		
Payments which fall due:		
. Within one year	28,622	28,622
. Within two to five years	51,892	55,948
. Over five years	20,866	31,752
	101,380	116,322

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 £25,000 (16 month period to 31 December 2020: £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 (16 month period to 31 December 2020 – none).