

CONGREGATION OF NOTRE DAME DE SION LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

CONGREGATION OF NOTRE DAME DE SION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sr P M Conroy Sr M O Babic Sr A M Murillo Arevalo Sr G M Nabuurs
Secretary	L&P Trustee Services Limited
Charity number	1178995
Company number	10851948
Registered address	34 Chepstow Villas London W11 2QZ
Auditors	Sanders 1 Bickenhall Mansions Bickenhall Street London W1U 6BP
Investment Manager	Cantor Fitzgerald Ireland 23 St Stephens Green Dublin 2
Bankers	Lloyds Bank 25 Gresham Street London EC2V 7HN Allied Irish Banks 3rd Floor 1 Adelaide Road Dublin 2

CONGREGATION OF NOTRE DAME DE SION LIMITED

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CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Trustees of the Charity

The Trustees, who are also the directors for the purpose of company law, who have served during the year and since the year end were as follows:

Sr P M Conroy
Sr M O Babic
Sr A M Murillo Arevalo
Sr G M Nabuurs

Objectives and Activities

The Charity's main object is to advance the Christian religion through the social and charitable work carried on by the Congregation of Our Lady of Sion ("the Congregation") in England and throughout the world in accordance with the mission and charism of its founder Father Theodore Ratisbonne and to provide for the members of the Congregation during their lives.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake. The Charity does not raise funds from the public.

The Congregation is present in many countries. The Charity, through all its activities, whether its national or international charitable work, ministries or education and training, will advance religion. The Charity will achieve this through the provision of financial support, which will enable programmes and projects to be carried out and achieved. The activities through which the Charity will achieve its charitable objective are as follows:

- Pastoral, educational, religious formation and social ministries;
- Jewish-Christian Relations;
- Interfaith dialogue;
- Assistance of the poor and needy through the relief of poverty and ecological consequences in areas of the Congregation's ministries;
- Religious training and spiritual well-being of the members of the Congregation; and
- Support of the Members in carrying out their ministries and charitable activities

Public Benefit

The Trustees consider that the activities and achievements of the Charity illustrate that the aims of the charity are carried out for the public benefit. The Trustees confirm that they have taken into account the best practice guidance on public benefit when deciding what activities, the Charity undertakes.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Achievements and Performance

The Charity supported a number of Regions of the Congregation with the care of the sisters and the promotion of their ministries; donations were made to Asociación Cultural Educativa Ratisbona, Central America Region (£290,231), Congregation de Notre Dame de Sion – Mediterranean Region (£123,810) and Notre Dame de Sion Inc., Philippines Region (£56,763), respectively.

The Charity supported the Congregation of Our Lady of Sion (COLOS UK) with donations of £85,026 and £21,082 to support their ministries and their educational purposes respectively. A donation of £3,242 was made to the Congregation Centre for Biblical Formation, Jerusalem, in support of their ministries.

A donation to the Central American Region of £472,500 to promote their educational ministries was approved by the Trustees for distribution in 2022 and has met the recognition criteria for a constructive obligation at signing date of these financial statements according to Section 7 Charities SORP. Therefore, this donation has been included in the expenditure for the year ended 31 December 2021 and also included in other creditors.

Financial Review & Reserve Policy

The Charity's financial reserves aim to generate a level of income to match its target for donations and cost of raising funds. This approach is intended to ensure that the level of reserves is maintained. In 2021 the Charity received unrestricted donations of £19,744,904 (2020: £1,370,449) and the Charitable expenditure totalled £1,281,874 (2020: £904,681). At 31 December 2021 the Charity had total funds all of which are unrestricted of £40,221,067 (2020: £18,760,030), of which £38,798,410 (2020: £18,003,741) is represented by investments.

As the Charity evolves the Trustees will consider which other KPIs are appropriate for it. During the transition period, accurate assessment of specific KPIs are not possible. The level of reserves at year end are sufficient to meet Charity's continued obligations.

COVID-19 (Coronavirus)

Despite the spread of the COVID-19 pandemic, the Charity has continued to operate and has not seen a significant effect on its operating activities as a result of the virus. The Trustees believe that COVID-19 has minimal or no effect on the Charity's going concern. The Trustees and our professional advisors continue to monitor the situation.

Plans for the Future Periods

The Charity plans to continue to advance the Christian religion through the social and charitable work carried on by the Congregation of Our Lady of Sion in England and throughout the world in accordance with the mission and charism of its founder Father Theodore Ratisbonne and to provide for the members of the Congregation during their lives.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Structure, Governance and Management

The Charity is a company limited by guarantee and governed by Memorandum & Articles of Association as amended by special resolution dated 10 August 2018. The Charity is a registered Charity with the UK Charity Commissioner under charitable number 1178995.

Recruitment and Training of Trustees

The Trustees are chosen on the basis of their willingness to serve, ability, governance, experience and support of the ethos, mission and philosophy of the Charity. The Trustees are well informed about the mission, governing document and history of the Charity. The Trustees are encouraged to attend appropriate external training courses and events to facilitate the undertaking of their role.

Organisational Structure

The Trustees are responsible for the policies, activities and the safeguarding of the assets of the Charity. The affairs of the Charity are managed by the Board of Trustees who are accountable to the Members. The Board of Trustees meet regularly to review all aspects of the Charity's activities. When necessary, they seek advice from the Charity's professional advisors who provide administrative duties and investment advice.

Related Parties

The Charity has received donations from various Regions of the Congregation of Notre Dame and supports the life and work of members of the Congregation in areas of need. See Note 16 for further details on the related parties.

Risk Management

The Trustees have considered the risks that are material to the Charity and have ensured that there are suitable procedures in place to mitigate these.

The Trustees believe that, by monitoring reserve levels, by ensuring the existence of controls over key financial systems, by taking regular professional advice, they have established routinely effective systems and procedures to mitigate those risks. The principal risks affecting the Charity and the procedures in place to mitigate these risks are:

Governance and management which considers the efficiency of the Trustee body. Risks considered include lack of planning, a Trustee body which lacked sufficient skills or appropriate decision-making procedures. Such risks could include a lack of training / induction or poor stewardship of resources – human, financial and property. The Trustees have addressed these risks by operating both annual and longer term plans, holding regular Trustee meetings which include the monitoring of actual performance against these plans, having meaningful induction / handover for incoming Trustees, attending Trustee training days, seeking third party advice as required, etc.

Financial: The Trustees consider the financial capacity of the Charity and ensuring it has the available financial resources to continue to carry out its activities both now and in the years ahead. This incorporates the management of the operating (day-to-day) position, capital requirements and the returns earned on the Charity's investment portfolios.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Risk Management (Continued)

These risks are mitigated in a variety of ways, including budgeting, the setting of an investment strategy / investment objectives that consider diversity, prudence and liquidity criteria, regular financial and investment reporting against budget, cash-flow planning, and the appointment of Stewardship advisors where necessary.

Investment Policy

The Charity's financial reserves have been placed in long term investments, the purpose of which is to provide investment income to promote the charitable objectives of the Charity and to provide capital growth over the long term.

A conservative investment strategy has been adopted. Investment income and gains will be used in future to fund donations to further the charitable objectives of the Charity. These funds have an ethical investment screen: they exclude companies that contravene certain ethical criteria and, in most cases, favour stocks that provide positive benefits to the community.

These funds are likely to hold investments that are compatible with the Charity's ethos. In this regard, the investment portfolio avoids certain areas of the equity market that derive revenues from unethical sources such as the following:

- Damage to the environment
- Infringement of human rights
- Manufacture of armaments and supplies to the military
- Manufacture of anti-life products
- Irresponsible marketing of milk substitutes to nursing mothers in third world countries
- Stem cell research
- Cosmetics testing on animals
- Gambling
- Pornography
- Tobacco

At 31 December 2021, £38,798,410 (2020: £18,003,741) was held in investment funds. These funds are managed by Cantor Fitzgerald Ireland Ltd. In addition, funds totalling £2,100,608 (2020: £1,063,009) were held on investment deposit.

Positive Impact Investing

The Trustees view the investment portfolio as part of their Mission and seek to bring about change through our investment portfolios. Some investments can be harmful; for example, investments in fossil fuel companies or armaments companies supports the production of goods that can be highly damaging to the environment or human wellbeing. Avoiding these types of investments is an important step in ensuring that our investment portfolio is not involved in harmful activities. But it is only the first step along the path of what can be achieved.

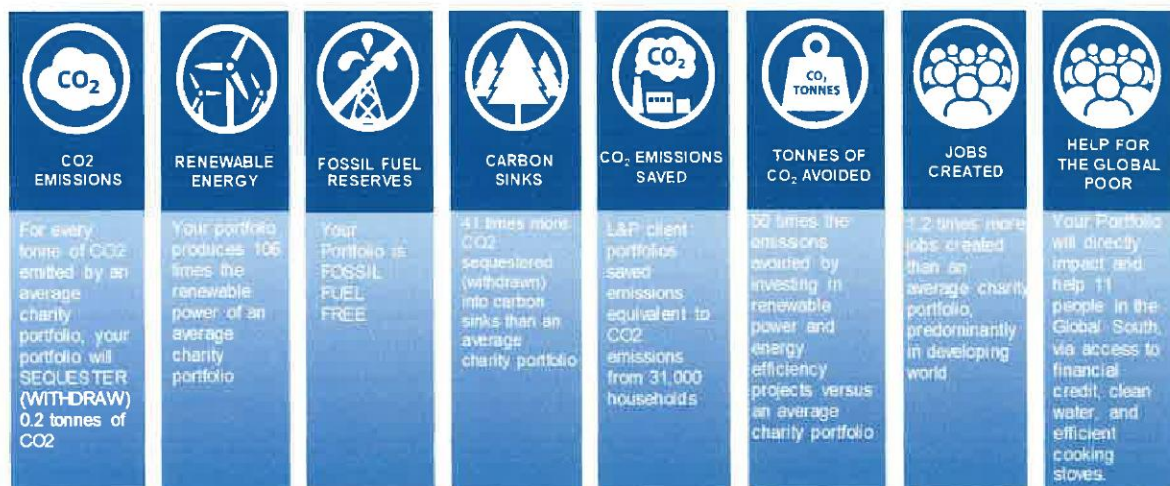
While avoiding harmful activities is important, we believe that it is even more important to use our investments to bring about positive change in the world. We therefore seek to invest in activities that have beneficial impacts, for both individual wellbeing and for the environment.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Positive Impact Investing (Continued)

We assess these positive impacts under a number of headings that we believe are important measures of how our investments are positively affecting the world around us. Below are some of the positive impacts achieved by the investment portfolio:



The Portfolio and the Sustainable Development Goals (SDGs)

All of the investments within the Portfolio contribute towards the achievement of the Sustainable Development Goals (SDGs). The SDGs were developed and adopted by all member states of the United Nations to help achieve “a more sustainable future for all”. They represent a call to action to end poverty, protect the planet and promote prosperity and people’s wellbeing by 2030. They integrate and balance the three dimensions of sustainable development: economic, social and environmental. Achieving the SDGs on a global basis requires collaboration between governments, the private sector, civil society and citizens alike. The Portfolio plays a role in the realisation of the goals.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

The Portfolio and the Sustainable Development Goals (SDGs) (Continued)



Source: UN (<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>)

The Sustainable Development Goals are also closely aligned with the charitable objectives of religious organisations. Since the publication of *Laudato Si*, Pope Francis has made a strong commitment to sustainable development. His appeal to “...every person living on this planet for an inclusive dialogue about how we are shaping the future of our planet”, provides a firm ethical foundation for actions that need to be taken urgently at all levels. Pope Francis’ speech ahead of the United Nations General Assembly’s formal adoption of the 17 SDGs gave further support to the ambitious and transformational vision of the goals.

A comprehensive Ethical and Positive Impact policy ensures the Portfolio remains consistent with the ethos of the charity. The Portfolio currently excludes companies involved in the production of weapons, tobacco, alcohol, pornography, and activities such as gambling and embryonic stem cell research. Environmental, Social and Governance (ESG) criteria complements the screening as it improves the overall ESG risk exposure of the Portfolio. In particular, climate risk is addressed through the exclusion of fossil fuel companies and a focus to reduce the carbon footprint of the Portfolio through investment in such areas as renewable energy and forestry.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Environmental Impact

Overall Carbon Footprint



Measurement of carbon emissions is crucial to help us understand the role our investment portfolio plays in the climate crisis, while taking measures to address it. As the SDG logos to the left show, limiting carbon emissions interacts with several SDGs, helping address Climate Action in particular. Climate justice is another aspect addressed in our portfolio, as climate change predominantly impacts those who've done the least to contribute to pollution and have less resources to deal with it. Therefore, control of carbon emissions in our portfolio also has positive implications for reducing poverty (SDG1), reducing inequality (SDG10) and preserving life on land (SDG15) and in the ocean (SDG14).

The Portfolio includes a number of carbon sink-type investments, which sequester or draw carbon dioxide (CO₂) from the atmosphere. Forestry in particular is a very effective carbon sink, as trees absorb carbon dioxide as part of their growing process. Therefore, the presence of forestry funds means that any carbon emissions from the majority of the portfolio are effectively offset entirely by the forestry investments.

Put another way, this means that the Portfolio in aggregate will sequester (withdraw) approx. 781 tonnes of CO₂e from the atmosphere per annum while an unscreened portfolio of the same size would produce approx. 4,180 tonnes of CO₂e. We believe that these extremely strong carbon emission statistics makes the Portfolio very much part of the solution to climate change, rather than part of the problem.

Fossil Fuel Reserves

Following the Trustees decision to entirely divest from fossil fuels in early 2017, the Portfolio now holds no fossil fuel reserves. This section addresses the level of exposure that the portfolio has to companies owning thermal coal, oil gas reserves and other unconventional sources of reserves such as oil sands, shale oil, and shale gas. Many of these reserves may not be useable if we are to keep the targeted temperature rise (as a result of global warming) below 2 degrees Celsius. This risk is referred to as stranded asset risks and it is addressed through avoidance of companies holding fossil fuel reserves. Hence, in addition to the impact, not holding these assets reduces the financial risk within the portfolio.

The chart below shows the fossil fuel reserves held by investments within the Portfolio across the major fossil fuels in comparison to an unscreened portfolio. As the chart shows, the Portfolio holds no fossil fuel reserves at all. This is a key metric to ensure that the Portfolio is not supporting fossil fuel activities that are diametrically opposed to the impact the Portfolio is trying to achieve elsewhere in the investments, namely promoting transition from fossil fuels to sustainable energy.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

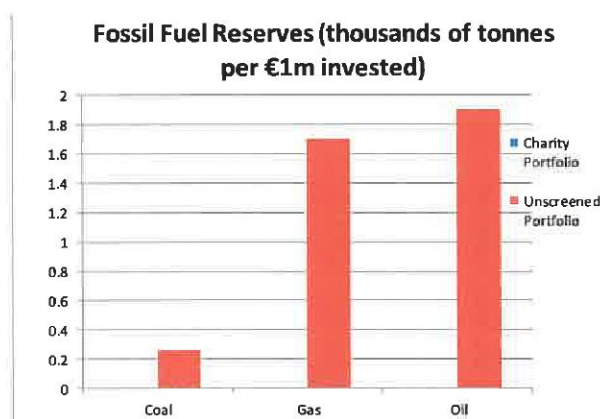


Chart showing the Charity's Investment Portfolio holds no fossil fuel reserves (no blue bar)

Renewable Energy

Reducing our reliance on fossil fuels for our energy needs is vital for the transition to a low carbon future. The pandemic and resulting national lockdowns led to a drop in our primary energy consumption for the first time since 2009, with consumption of all fuel decreasing except for renewables and hydro. In fact, electricity generation from renewable sources expanded by more than 8% in 2021. Solar and wind are set to contribute two-thirds of renewables growth.

Given the importance of promoting renewable energy sources to address climate change, any investor interested in impact investing generally seeks a high level of renewable power output from their investment portfolio.

Within the Portfolio, renewable power is produced by a number of investments based in Europe, the US and the developing world. We note some of the key impact metrics of these funds below:

Renewable Energy Fund

Renewable energy fund holding both onshore and offshore projects

- Energy for 300,000 houses per annum
- Avoids emissions of 400,000 tonnes of CO₂ per annum
- 1,000,000 MWh of renewable power per annum



CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Solar Income Fund

Fund holding approx. 40 solar plants in Europe

- Energy for 150,000 houses per annum
- Avoids emissions of 162,000 tonnes of CO₂ per annum
- 480,000 MWh of renewable power per annum



The benefit of generating renewable power can be measured by how much fossil fuel power (and resulting CO₂ emissions) it replaces. In 2021, the Portfolio avoided the release of almost 7,195 tonnes of CO₂e. This is equivalent to:

- Removing 1,554 cars from the roads every year
- 16,549 barrels of oil saved
- 5,993 acres of pine forest absorbing CO₂ for one year
- 791 round trips around the world by one typical passenger car (travelling at the equator).

In terms of renewable energy produced, the Portfolio produced 15,128 MWh in 2021, enough energy to power approx. 3,031 homes.

Environmental Protection and Carbon Sequestration

Environmental protection is a critical aspect of sustainability addressed by the Portfolio. The forestry investments within the Portfolio have a mandate to:

- Produce sustainable timber;
- Sequester carbon from the atmosphere;
- Protect natural resources and biodiversity of the area, in order to minimise the effect on the biodiversity and general environmental welfare.



The managers of the forestry investments in the portfolio assess any new forest properties at the outset to record and maintain biodiversity already present. They have also adopted an approach in their management to enhance biodiversity by planning linkage between features using corridors so that the biodiversity features on site are conserved and new features being created are all joined and form part of a biodiversity unit within each property. These features are measured and captured on the managers' geographic information system (GIS). A detailed biodiversity classification and ranking system is in place and enhancement targets are being set to enrich diversification in being and flow throughout the portfolio.

CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Social Impact

Job Creation



Providing employment is one of the best methods of reducing poverty, and therefore it has a number of positive beneficial effects across the SDGs, from poverty reduction (SDG1) to providing Decent Work and Economic Growth (SDG8). As the majority of the jobs created by the impact investments are in the developing world, and tend to favour women as much (if not more) than men, then job creation in these areas improves Gender Equality (SDG5) and Reduces Inequalities (SDG10), both between sexes and between the developed and developing regions of the world.

The Portfolio has a number of funds which provide job creation through their economic activity. The equity funds provide capital to companies that employ anywhere between hundreds to hundreds of thousands, and therefore in theory the provision of additional capital by investors will enable these companies to create jobs. However, as these funds generally invest in well-established businesses in the developed world, the job creation impact from additional investment is low. However, other funds that operate in the developing world, tend to produce far higher job creation and comprise the majority of the additional jobs produced for the portfolio as a whole.

Homelessness Crisis

The portfolio now includes a Social Housing Fund which addresses this chronic shortage of housing for vulnerable groups. The goals of the fund are shown below:

Social Housing Fund

Innovative fund acquires properties for social housing purposes

- Provide €100m+ in long term capital to housing sector
- Target high ESG and sustainability standards
- 500+ new homes to be provided for social housing needs



CONGREGATION OF NOTRE DAME DE SION LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Trustees, who are also the Directors of Congregation of Notre Dame De Sion Limited for purpose of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year 2021. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.

DocuSigned by:
Sr Gertrude Nabuurs
Gertrude Nabuurs, Trustee
Date 6/4/2022 | 8:02 AM EDT

DocuSigned by:
Sr Philomena Conroy
Philomena Conroy, Trustee
Date 6/4/2022 | 3:32 AM EDT

CONGREGATION OF NOTRE DAME DE SION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONGREGATION OF NOTRE DAME DE SION LIMITED

Opinion

We have audited the financial statements of Congregation of Notre Dame de Sion Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 financial statements section of our report. We are independent of the charitable company 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 charitable company's 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.

CONGREGATION OF NOTRE DAME DE SION LIMITED
INDEPENDENT AUDITOR'S REPORT (continued)
TO THE MEMBERS OF CONGREGATION OF NOTRE DAME DE SION LIMITED

Other Information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CONGREGATION OF NOTRE DAME DE SION LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

TO THE MEMBERS OF CONGREGATION OF NOTRE DAME DE SION LIMITED

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, set out on page 11, the Trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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:

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;

- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011)
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;

- We considered the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls .

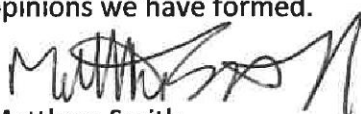
Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error .

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of Our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Matthew Smith
(Senior Statutory Auditor)
for and on behalf of Sanders
Chartered Accountants
Statutory Auditor

8 June 2022

1 Bickenhall Mansions
Bickenhall Street
London
W1U 6BP

CONGREGATION OF NOTRE DAME DE SION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND
EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds General 2021 £	2020 £
Income from:			
Donations	3	19,744,904	1,370,449
Investment income	4	581,697	203,703
Total Income		20,326,601	1,574,152
Expenditure on:			
Charitable activities	5	1,281,874	904,681
Raising funds	6	132,702	65,076
Total Expenditure		1,414,576	969,757
Net Income for the year		18,912,025	604,395
Net gains on fixed assets investments	8	2,549,012	458,170
Net movement in funds		21,461,037	1,062,565
Fund Balance brought forward		18,760,030	17,697,465
Fund Balance carried forward		40,221,067	18,760,030

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONGREGATION OF NOTRE DAME DE SION LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Fixed assets			
Investments	9	38,798,410	18,003,741
		<u>38,798,410</u>	<u>18,003,741</u>
Current assets			
Debtors	10	1,289	6,673
Cash at bank and in hand		2,100,608	1,063,009
		<u>2,101,897</u>	<u>1,069,682</u>
Creditors: amounts falling due within one year	11	(679,240)	(313,393)
		<u></u>	<u></u>
Net current assets		<u>1,422,657</u>	<u>756,289</u>
Total assets less liabilities		<u>40,221,067</u>	<u>18,760,030</u>
Income funds			
Unrestricted funds	15	40,221,067	18,760,030
Total funds		<u>40,221,067</u>	<u>18,760,030</u>

The financial statements were approved and authorised for issue by the Board on 25 May 2022.

Signed on behalf of the board of Trustees

DocuSigned by:
Sr Gertrude Nabuurs
Gertrude Nabuurs, Trustee
Date 6/4/2022 | 8:02 AM EDT

DocuSigned by:
Sr Philomena Conroy
Philomena Conroy, Trustee
Date 6/4/2022 | 3:32 AM EDT

The notes on the pages 19 to 27 form part of these financial statements.

Company registration number: 10851948

CONGREGATION OF NOTRE DAME DE SION LIMITED
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
		£	£
Cashflow from Operating Activities			
Net cash provided by operating activities	12	<u>18,701,570</u>	<u>702,232</u>
		<u>18,701,570</u>	<u>702,232</u>
Cashflow from investing activities			
Cost of generating funds paid out of investments		164,526	30,850
Purchases of investments		(35,311,801)	-
Proceeds from sale of investments		<u>17,483,304</u>	
Net cash used by investing activities		<u>(17,663,971)</u>	<u>30,850</u>
Changes in cash and cash equivalent in the year		1,037,599	733,082
Cash and cash equivalent at 1 January		<u>1,063,009</u>	<u>329,927</u>
Cash and cash equivalent at 31 December	13	<u>2,100,608</u>	<u>1,063,009</u>

CONGREGATION OF NOTRE DAME DE SION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES

Charity Information

Congregation of Notre Dame de Sion Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 34 Chepstow Villas, London, England, W11 2QZ.

1.1 ACCOUNTING CONVENTION

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Associations, the Companies Act 2006 and "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 UK and Republic of Ireland (FRS102) (effective 1 January 2019)".

The financial statements are prepared in sterling, which is the presentation currency. The functional currency of the Charity is the euro. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain investments at fair value. The principal accounting policies adopted are set out below.

1.2 GOING CONCERN

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The Trustees have considered the potential financial impact of Covid-19 and believe that there would be minimal to no effect on the Charity's ability to continue as a going concern. The Trustees and our professional advisors continue to monitor the situation.

1.3 CHARITABLE FUNDS

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 INCOMING RESOURCES

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

CONGREGATION OF NOTRE DAME DE SION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

1.4 INCOMING RESOURCES (Continued)

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

1.5 RESOURCES EXPENDED

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

It is categorised under the following headings:

Expenditure on charitable activities includes costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include governance costs.

1.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CONGREGATION OF NOTRE DAME DE SION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES (CONTINUED)

1.7 FINANCIAL INSTRUMENTS

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic Financial Liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.8 TAXATION

The company is a registered Charity and is not subject to corporation tax or income tax on its charitable activities.

CONGREGATION OF NOTRE DAME DE SION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES (CONTINUED)

1.9 INVESTMENTS

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Where held as an ongoing investment they are included as fixed assets.

1.10 FOREIGN CURRENCY

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 transaction. Exchange differences are taken into account in arriving at the net movement in funds.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 DONATION INCOME

	Unrestricted Funds General	
	2021	2020
	£	£
Donations and gifts	<u>19,744,904</u>	<u>1,370,449</u>

Included in the above are donations of £19,742,519 (2020:£1,369,556) received from connected charities. See Note 16 for further information on the material donations from those charities.

CONGREGATION OF NOTRE DAME DE SION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

4 INCOME FROM INVESTMENTS

	Unrestricted Funds General	
	2021	2020
	£	£
Income from listed investments	581,686	203,698
Interest receivable	11	5
	<u>581,697</u>	<u>203,703</u>

5. CHARITABLE ACTIVITY EXPENDITURE

	Unrestricted Funds General	
	2021	2020
	£	£
Donations	1,053,223	872,052
Support costs	64,067	17,766
Governance costs - auditor's remuneration for audit services	18,726	18,146
Governance costs – auditor's remuneration for other services	52,380	15,900
Other currency exchange movements	93,478	(19,183)
	<u>1,281,874</u>	<u>904,681</u>

Included in the above are donations of £581,850 (2020:£872,052) paid to connected charities. See Note 16 for further information on the material donations to those charities.

6. RAISING FUNDS

	Unrestricted Funds General	
	2021	2020
	£	£
Investment Management fees	121,094	52,859
Financial management fees	5,383	5,353
Company secretarial fees	6,225	6,864
	<u>132,702</u>	<u>65,076</u>

CONGREGATION OF NOTRE DAME DE SION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

7. STAFF, TRUSTEES AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

During the year, the Charity had one employee (2020: Nil). The Charity's key management personnel are its Trustees who received no remuneration during the year. During the year, travel expenses amounting to £1,310 (2020: £1,919) were paid in total to 4 trustees.

	2021	2020
	£	£
Wages and Salaries	42,389	-
Pension costs	2,312	-
Social welfare costs	13,227	-
	<u>57,928</u>	<u>-</u>

There were no employees whose employee benefits (excluding employer pension costs) exceeded £60,000.

8. NET GAINS/(LOSSES) ON INVESTMENTS

	Unrestricted Funds General	
	2021	2020
	£	£
Realised & Unrealised gains/ (losses)	4,569,069	(319,286)
Exchange (losses)/gains on investments	(2,020,057)	777,456
	<u>2,549,012</u>	<u>458,170</u>

9. FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Market Value 1 January	18,003,741	17,372,723
Additions during the year	35,311,801	-
Sold during the year	(17,483,304)	-
	<u>35,832,238</u>	<u>17,372,723</u>
Investment income	581,686	203,698
Cost of generating funds paid	(164,526)	(30,850)
Unrealised gains	2,549,012	458,170
Market Value 31 December	<u>38,798,410</u>	<u>18,003,741</u>

CONGREGATION OF NOTRE DAME DE SION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Investments at fair value comprises	2021 £	2020 £
Equities	16,787,769	8,268,443
Securities	21,383,331	7,749,313
Cash within investment portfolio	627,310	1,985,985
	<u>38,798,410</u>	<u>18,003,741</u>

10. DEBTORS

	2021 £	2020 £
Prepayments	<u>1,289</u>	<u>6,673</u>

11. CREDITORS: AMOUNTS FALLING WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	<u>679,240</u>	<u>313,393</u>

Included in the other creditors are amounts payable to connected charities, see related party note 16 for further information.

12. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net movement in funds	21,461,037	1,062,565
Investment Income	(581,686)	(203,698)
Decrease in debtors	5,384	23,446
Increase in creditors	365,847	278,089
Gains in investments	(2,549,012)	(458,170)
Net cash provided by operating activities	<u>18,701,570</u>	<u>702,232</u>

CONGREGATION OF NOTRE DAME DE SION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

13. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash in hand	2,100,608	1,063,009
Total cash and cash equivalents	2,100,608	1,063,009

14. FUNDS RECONCILIATION

	Unrestricted Funds	
	2021	2020
	£	£
Balance as at 1 January	18,760,030	17,697,465
Net income	19,005,503	585,212
Unrealised investment gains	2,549,012	458,170
Other currency exchange movement	(93,478)	19,183
Balance as at 31 December	40,221,067	18,760,030

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	
	2021	2020
	£	£
Fixed asset investments	38,798,410	18,003,741
Current assets	2,101,897	1,069,682
Current liabilities	(679,240)	(313,393)
	40,221,067	18,760,030

16. RELATED PARTY TRANSACTIONS

During the year the Charity received donations without any restrictions from Congregation of Our Lady of Sion (UK), Congregation of Our Lady of Sion, Rome (Meeschart) and Congregation of Notre Dame De Sion (Europe) of £8,899,121(2020:Nil), £5,684,645 (2020:£1,369,556) and £5,158,753(2020: Nil) respectively.

The Charity supported a number of Regions of the Congregation with the care of the sisters and the promotion their ministries. This included a donation of £290,231(2020:£264,238) to Asociación Cultural Educativa Ratisbona, £123,810(2020:Nil) to Congregation de Notre Dame de Sion – Mediterranean Region and £56,763(2020:Nil) to Notre Dame de Sion Inc., Philippines.

CONGREGATION OF NOTRE DAME DE SION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

RELATED PARTY TRANSACTIONS (Continued)

The Charity supported the Congregation of Our Lady of Sion (UK) with £85,026(2020:Nil) and £21,082(2020:£434,040) to support their ministries and their educational purposes respectively. A donation of £3,242(2020:£9,085) was made to the Congregation Center for Biblical Formation in support of their ministries and other donations were made to the sum of £132(2020:£164,689) were made to ECCE Homo Board.

One other donation was approved by the Trustees for distribution in 2022 and has met the recognition criteria for a constructive obligation at signing date of these financial statements according to Section 7 Charities SORP. Therefore, the donation has been included in the donations expenditure for the year ended 31 December 2021. The donation is to the Central American Region of £472,500(2020: £Nil) to promote their educational ministries. The amount is included in other creditors.

17. CONTINGENT LIABILITY

The Charity has a duty to support the members of the Congregation and their ministries, this includes providing the various Regions of the Congregation with their working capital budget. This duty represents an obligation under applicable GAAP. This obligation requires a provision to be made for expenses that are known and can be measured reliably.

However, whilst draft budgets for the Regions have been submitted for approval, they have not been approved and could be subject to substantial revision. This results in no reliable estimate for the provisions being available and no provision has been made in these financial statements. However, it is necessary to disclose that the obligation exists and represents a Contingent Liability. The unapproved budgets submitted by COLOS UK, Mediterranean and Central America Regions would, if they were approved without alteration, generate a provision of £712,600.