

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

England & Wales · Charity number 1186617

Details

Other names	LCM, LCM ENGLAND
Status	Registered
Legal form	CIO
Registered	2019-11-27
Register	View on the Charity Commission register

Contact

Address	63 Jeddo Road London W12 9EE
Phone	02089936107
Email	lcm.ef@btinternet.com
Website	http://www.lcmsisters.org.uk/

Activities

Objects: THE OBJECT OF THE CIO IS THE ADVANCEMENT OF THE RELIGIOUS AND OTHER CHARITABLE WORK CARRIED ON BY OR WITH THE SUPPORT OF THE CONGREGATION AS THE TRUSTEES WITH THE APPROVAL OF THE LEADER - LCM ENGLAND SHALL FROM TIME TO TIME THINK FIT.

Activities: The Little Company of Mary Sisters England CIO enables the sisters of the Congregation to carry out their principal ministry of caring for the sick and dying, especially the dying. The charity aims to support the religious and other charitable works carried on by members of the Congregation and to care for those members throughout their lives with the Congregation.

Classification

- **How:** Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, Religious Activities
- **Who:** Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Albania
- Philippines
- South Korea
- Zimbabwe
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£485,443	£3,527,701	-	-
2024-06-30	£528,723	£1,360,633	£16,099,760	19
2023-06-30	£557,433	£1,157,309	£16,132,032	19
2022-06-30	£536,463	£1,130,718	£16,509,842	19
2021-06-30	£17,845,756	£1,488,869	£18,002,256	11

Trustees

Name	Role	Appointed
SISTER JEANNETTE CONNELL	Chair	2011-09-27
EILEEN FROST		2024-09-02
Sister Jessie MacDonald		2011-09-27

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

England & Wales - Charity number 1186617

Accounts

**LITTLE COMPANY OF MARY SISTERS
ENGLAND CIO
(Registered Charity Number 1186617)**

TRUSTEES' REPORT AND ACCOUNTS

30 JUNE 2025

**LITTLE COMPANY OF MARY SISTERS ENGLAND CIO
FOR THE YEAR ENDED 30 JUNE 2025**

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LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR ENDED 30 JUNE 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Sister Jeannette Connell Sister Anita MacDonald Mrs Eileen Frost (appointed 2 September 2024)
Leader LCM England	Sister Jeannette Connell
Treasurer	Mrs Eileen Frost
Principal Office	Administrative Office 63 Jeddo Rd London W12 9EE
Governing Instrument	CIO Association registered 27 November 2019
Charity Registration Number (England and Wales)	1186617
Accountant	David Clark FCA 1 st Floor Church House 61 College Road Bromley BR1 3QG
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal Bankers	The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB
Investment Managers	CCLA 1 Angel Lane London EC4R 3AB
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The trustees present their report together with the accounts of the Little Company of Mary Sisters England CIO, a Charitable Incorporated Organisation (CIO) (the "charity" or the "CIO") for the year to 30 June 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 22 to 26 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 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).

INTRODUCTION

The Little Company of Mary (the Congregation) is an international Catholic apostolic religious congregation of women founded in Nottingham by Mary Potter, an Englishwoman, in 1877. The Congregation is divided into a number of individual provinces, regions and communities. Leadership Team is based in London.



The accounts accompanying this report are the accounts of the CIO through which the assets of the Congregation in the United Kingdom have been administered since 1 July 2021.

MISSION

The Little Company of Mary Sisters England CIO enables the sisters of the Congregation to carry out their principal ministry of caring for the suffering, the sick and dying. The original inspiration came to Mary Potter after a serious illness during which time she found she could not pray and during which she saw the need for a group of women in the Church who would minister to and pray for the sick and dying.

The charity aims to support the religious and other charitable works carried on by members of the Congregation and to care for those members throughout their lives with the Congregation. These ministries of the sisters of the Congregation, all of which benefit numerous members of the general public, fall into the following main areas:

◆ Social and pastoral work

Fewer members of the Congregation are involved in ministry because of age and fragility. Those who are able, continue to offer pastoral support in their parish.

◆ Overseas missionary work

The charity continues to support a Palliative Care Team working in healthcare, social and pastoral fields in Albania. This ministry is a core expression of Little Company of Mary Charism.

◆ Heritage Centre, Nottingham

The International Congregation established the Heritage Centre in Nottingham in 2010 to house the artefacts and memorabilia relating to the Congregation's Foundress, Mary Potter, and to promote the Charism and Spirituality of the Little Company of Mary. This ministry is on behalf of the International Congregation. In 2025 the administration of the Heritage Centre transferred to Congregational Leadership Team.

◆ Care of members of the Congregation

By caring for members of the Congregation, the charity ensures that the sisters' ministry continues for as long as possible.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

GOVERNANCE, STRUCTURE AND MANAGEMENT

Background

The CIO is governed by a constitution dated 14 November 2019 and is registered with the Charity Commission in England and Wales, (Charity Registration No. 1186617).

In 2023 and following consultation with the Sisters in the Region of the Maternal Heart and with Congregational Leadership a decision was made to transfer from Region status to a Community with direct relationship with the Congregational Leader. This decision was taken to comply with Canon Law requirements

We have been the Maternal Heart Community since 1 January 2023. Sister Jeannette Connell is the Leader LCM England.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office during the year to 30 June 2025 are given below:

Trustees

Sister Jeannette Connell – Leader LCM England

Sister Jeannette entered the Congregation of the Little Company of Mary in 1969, having completed her general nursing and midwifery training. She obtained a diploma in Clinical Nurse Education in 1981, completed a management course in 1987, and obtained a diploma in Palliative Care in 1988. Sister Jeannette has worked as a Registered Nurse in the National Health Service and in hospitals sponsored by the English Province and was Matron of the Convent Hospital in Nottingham for 10 years until 1998. She served as a Provincial Councillor and trustee from 1985 to 1990 and 1995 to 2000. She was Provincial Leader of the English Province from 2000 to 2005 and served as a trustee during that period. She was elected as Congregational Leader in 2005 for a period of 6 years, completing the term in 2011. In July 2011, she was appointed as Provincial Leader for a period of five years and was re-appointed as Province Leader for a further five years from July 2016 and currently serves as a trustee. On 1 January 2023 she was appointed Leader LCM England.

Sister Anita MacDonald – Trustee

Sister Anita joined the Little Company of Mary in 1963. She qualified in General, Psychiatry and District Nursing and worked in England. She was Formation Directress for 10 years in the UK Province and in 1993 with two other sisters founded a mission to assist the sick and dying in Albania which is now managed by Albanian doctors and nurses. Sister Anita has served as Province Councillor and was elected as Congregational Councillor from 1999 to 2005. Sr Anita was a member of the community at the Heritage Centre since its opening in 2010 and worked on its development. She was also coordinator of LCM Associates and Affiliates, facilitating and guiding their Journey Programmes. She transferred to Westcliff-on-Sea community in December 2024. Sr Anita serves as a trustee.

Eileen Frost - Trustee

Eileen joined the Little Company of Mary as an employee in July 2011 to provide administrative support to the Sisters. Eileen came to the Little Company of Mary with over 25 years work experience in HR and Project Management. She had previously worked in both private and public sectors, gaining much experience in budget managing, delivering European Regional Development Fund and European Social Fund Projects as well as expansive recruitment and personnel experience. Eileen currently holds the post of Treasurer and works in collaboration with the Little Company of Mary Sisters. Eileen is a practising Roman Catholic who has delivered Catechism to Children and Adults in her local parish and now continues to be an active member in her local parish.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

GOVERNANCE, STRUCTURE AND MANAGEMENT

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions 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 and the applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They regularly meet /consult to review developments with regard to the charity or their activities and make any important decisions. When necessary, the trustees seek advice and support from professional advisers including property consultants, investments 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 Congregation or senior staff.

Key management personnel

The trustees consider that the key management of the charity consist of two Sisters, including the Leader of LCM England to whom, much of the running of the day-to-day operation devolves, and a lay person. As religious sisters, under a vow of poverty, the LCM Sisters who are trustees, do not receive remuneration and the Treasurer, the lay trustee, received a salary in her capacity as an employee.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

GOVERNANCE, STRUCTURE AND MANAGEMENT

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the charity currently faces. They have reviewed the measures already in place, or needing to be put in place, to deal with them. The trustees have identified five main areas where risks may occur:

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

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

Operational looks at the risks inherent in the charity's activities including the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

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

Reputational looks at possible damage to the Congregation's reputation and/or charity's reputation.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations.

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

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

- ◆ The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity through a Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally the charity works with vulnerable adults, including older people, and occasionally with children. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serve. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA) and are a member of the Religious Life Safeguarding Service (RLSS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers are kept informed about good practice in work and ministry.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

GOVERNANCE, STRUCTURE AND MANAGEMENT

Risk management (continued)

- ◆ The charity donates sums in support of the Congregational Emergency Fund and other organisations. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and are familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees and accountant meet annually with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs.
- ◆ The charity runs a care facility for its own sisters at Westcliff-on-Sea. As with any such operation, there are continual regulatory changes which must be complied with and financial pressures such as the fact that costs tend to rise with need to provide staff cover for 24 hours. The Trustees consult with external agencies for advice as necessary.

PUBLIC BENEFIT

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

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

As stated above under "Mission", the activities of the charity during the year can be divided into three principal areas: caring for members of the Congregation, the social and pastoral work of the sisters, the support of overseas missionary work.

Care of members of the Congregation

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation is increasing as existing members grow older. There are no new members in the UK.

The age of the sisters ranges from 78 to 97 years. The average age is 88. There were 12 sisters in the Maternal Heart Community at the beginning of the financial year. During the year, 1 Sister died and another transferred to a Nursing Home in Edinburgh on a permanent basis. Current membership is 11 sisters. The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted their lives to prayer and the care of the sick, the elderly, poor and marginalised in society. As the age profile of the Congregation increases, so too does the need to provide increasingly expensive care for the sisters

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Care of members of the Congregation (continued)

Sisters requiring additional care live in Westcliff on Sea. They benefit from living in their own religious community setting, where they can continue their own individual and community prayer for the needs of the world and especially for the sick and dying. A Care Manager and staff support and care for the sisters over the 24-hour period. The care needs continue to increase. In this regard, the aims of the trustees of the CIO over the forthcoming years include:

- ◆ Ensuring all members of the Congregation receive the high level of care they require to provide them with the quality of life they should rightly expect;
- ◆ Reviewing properties used as community houses and assessing their suitability as homes for the elderly and frail.
- ◆ Enabling all members of the Congregation to continue with their individual ministries for as long as possible.

Social and pastoral work

The following are examples of the social and pastoral work undertaken by individual sisters:

- ◆ Parish visiting and pastoral support.
- ◆ Responding to requests for prayer from individuals and praying with the housebound.
- ◆ One Sister is a Parish Sister and Eucharistic Minister.
- ◆ One sister serves as a trustee on a grant giving charity in Nottingham.
- ◆ One Sister provided accompaniment to lay people who wish to embrace our charism and spirituality, some of whom become Affiliate and Associate members of the Little Company of Mary. The Associates meet monthly in Nottingham and assist in the ministry of the Heritage Centre.



Associate commitment at the Heritage Centre 2024

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Social and pastoral work (continued)

The aims of the trustees in this area include:

- ◆ Wherever possible ensuring sisters are remunerated for such work by way of stipend. Such income is donated to the charity and thereby ensures that the work of the sisters and charity may continue and develop.

Overseas missionary work

Mary Potter Palliative Care Centre, Korçe, Albania

In 1993 LCM was invited to Albania to assist with healthcare and through to 2004, developed the palliative care service, trained Nurses and doctors and developed the Clinic in Korçe.

Since 2004 the local staff have continued this ministry and we continue to support the service both financially and with mentoring. Their service is of the highest standard and is considered so, by Albanian authorities. They also have international recognition from other palliative care organisations. The staff maintain Little Company of Mary ethos both in its work in the clinic and in the community.



Patient receiving treatment

The clinic is well maintained, and the staff are aware of the need for good stewardship of the building.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Overseas missionary support (continued)

*The following paragraph is part of the citation from End of Life nursing education consortium (ELNEC)
'Again, we want to congratulate you on being chosen as one of the 2024 ELNEC Award of Excellence recipients.
Your outstanding work has promoted palliative care nursing, and you have been a role model in teaching,
advocating, and providing this important and sacred work. We are grateful to you.*

ELNEC Award Presented to Clinic Staff



The staff offer the following:

- ◆ Home care,
- ◆ Telephone support
- ◆ Day care for patients to monitor symptom control
- ◆ Training to family members, especially in end-of-life care
- ◆ Education for other healthcare professionals in many other cities in Albania and in doing so develop palliative care in Albania. In 6 months they offered training to 240 Nurses.
- ◆ Support the poor and disadvantaged in the local area.

In summary, the palliative care team consists of 16 paid members of staff consisting of administrative, clinical, nursing, maintenance and support staff.

The trustees receive a quarterly financial and narrative report from the Manager, showing that the funds and equipment provided by the charity are used for the purposes intended.

Heritage Centre, Nottingham

Little Company of Mary Sisters England CIO continued responsibility for the Heritage Centre in Nottingham until the 1st February 2025. The ministry is on behalf of the International Congregation. One Sister was responsible for the development and administration of the Heritage Centre since 2010. She successfully mentored the lay manager for 2 years. The sister transferred to the community at Westcliff on Sea in December 2024.

We were concerned about our ability to sustain ministry at the Heritage Centre given our reducing numbers. Following conversations with the Congregational Leader and subsequent meetings with the Trustees of both Charities, the decision was made to transfer the responsibility and management of the Centre to the LCM Congregation CIO.

The responsibility along with the Fixed and Tangible Assets was transferred to the Little Company of Mary Congregation CIO on 1st February 2025. We were assisted by our Legal Advisors, Auditors and our Accountant.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Volunteers

We receive one stipend for a parish Sister who ministers at the Cathedral Parish in Nottingham, this sister also volunteers at the local teaching Hospital for 2 days per week.

The remaining Sisters receive no financial reward for their ministry. While all the sisters contribute to the mission of the Congregation members are involved in administering the work of the Congregation and charity. All sisters are supportive of the people in local area and in parishes in which they live.

Protection of Children and Vulnerable Adults

Along with all other organisations who serve in the community, the Trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. All sisters who are in any kind of ministry in UK have to obtain clearance from the Disclosure and Barring Service (DBS). Employees and 2 volunteers have DBS Certificates. We are now fully aligned with the Religious Life Safeguarding Service (RLSS) and the Catholic Safeguarding Standards Agency (CSSA).

Grants, donations and support of missionary work and ministry

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

Whilst the Trustees give occasional support to United Kingdom organisations whose work is within the objects of the charity, it does not regard itself as a grant making entity and applications for grants and donations are not invited. Donations, however, are made to much needed services for the poorest and marginalised people in society in line with Mary Potter's vision of working with those in need.

Investment policy

The charity's investments are managed by CCLA. All investments have been moved into the Catholic Investment Fund held to align investments with the catholic ethos. 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 manager's view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised 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 Catholic Church.

The performance of the portfolio and the investment strategy are reviewed by the trustees who meet with the investment managers annually. Regular reporting received.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL REVIEW AND RESERVES POLICY

Results for the year

A summary of the results of the year to 30 June 2025 can be found on page 18 of this report and accounts.

Total income for the year to 30 June 2025 was £485,443 (2024: £528,723). This included investment income of £323,541 (2024: £342,156) and voluntary income of £161,902 (2024: £175,250). This latter category includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid. There was no legacy income received in the year (2024: £6,617).

Expenditure for the year to 30 June 2025 amounted to £3,527,701 (2024: £1,360,633). This includes the cost of supporting members of the Congregation and their ministry and donations to third parties. Expenditure in 2025 included the transfer of assets held in the Heritage Centre to the Generalate Charity, comprising fixed assets with a net book value of £1,498,613 and cash of £674,605.

Donations and grants paid totalled £241,804 (2024: £282,495), which included a number of committed amounts to charitable projects.

Net expenditure, before investment gains (losses) for the year to 30 June 2025 was £3.04m (2024: £831,910).

There were investment losses of £357,498 (2024: gains of £799,638). The overall result was net expenditure of £3.4m (2024: £32,272).

The level of deficit in 2025 is exceptionally high because of the transfer of the Heritage Centre assets. The deficit on continuing activities is £1.1m. This emphasises the need to the Charity to hold relatively high levels of reserves (see Reserves Policy below).

Investment performance

As previously stated, the charity's investments are managed by CCLA. At 30 June 2025, the investments had a market value of £10,077,057 (2024: £10,934,555). Total funds of £500,000 were drawn down from the portfolio during the year (2024: £500,000).

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 13 to the attached accounts. During the year to 30 June 2025, the charity's investments achieved an annualised income yield of +2.96% (2024: 3.22%), and an annualised capital return of -3.27% (2024: +7.52%) meaning the total return for the year was -0.31% (2024: +10.74%). Returns were marginally ahead of the averages quoted for the charity sector over the year and the trustees, therefore, are satisfied with investment performance.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL REVIEW AND RESERVES POLICY

Reserves policy

The charity carries out a diverse range of activities and is responsible for the care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to up to four years' expenditure at any one time. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income and will allow the trustees to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

Balance sheet reserves stood at £12,700,004 (2024: £16,099,760).

The tangible fixed assets fund totalled £2,161,735 (2024: £2,559,588), comprising the tangible fixed assets used to support the work of the sisters,

£4,700,000 (2024: £4,700,000) has been set aside to provide for the sisters in their retirement, none of whom have resources of their own. The calculations, based on actuarial methods, indicated that this amount is needed to be set aside in order to provide for the sisters and for the increasingly expensive health and care costs which become inevitable as people grow older. A further £1,758,002 (2024: £1,961,912) has been set aside as a Congregation Giving Fund to be applied to future grants and donations.

By the end of June 2025, no restricted funds remained. Monies held for Albania were entirely spent on their relevant purposes and all Heritage Centre assets were transferred to the Generalate Charity with effect from 1 February 2025.

Funds available to support the work of the sisters in the future, in particular the support of the Congregation's missionary and healthcare work, are shown as general funds on the balance sheet and amounted to £4,080,267 (2024: £4,489,504). This figure needs to be considered in the light of ongoing annual expenditure from unrestricted funds of approximately £1.2m, and an ongoing annual deficit of £1.1m, the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas. The trustees are of the opinion that the free reserves are adequate but not excessive and in line with the above policy.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

FUTURE PLANS

In the CIO, we continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as appropriate Leadership structures for the future.

- ◆ The trustees do not anticipate any significant change to activities over the next two to five years. It is their intention to continue to meet the following objectives:
- ◆ To monitor the needs of the sisters as they grow older and, if necessary, adapt the charity's plans in respect of property needs and the provision of care to elderly members.
- ◆ To continue to care for the sisters and to enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible.
- ◆ To support the Congregation's work overseas and for the trustees to satisfy themselves that the funds are applied for their intended purpose.
- ◆ To consider setting aside further designated funds to earmark monies to be used to finance an enhanced grant-making programme.

EMPLOYEES, VOLUNTEERS AND MEMBERS OF THE CONGREGATION

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

Signed on behalf of the trustees:

Jeanette Connell

Trustee

Approved by the trustees on: 19 November 2025

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO

Opinion

We have audited the accounts of the Little Company of Mary Sisters England CIO (the 'charity') for the year to 30 June 2025 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 30 June 2025 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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 the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO

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

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

- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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 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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO

Use of our report

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

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

20 November 2025

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF FINANCIAL ACTIVITIES (income and expenditure account)

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted Funds £	Restricted Funds £	2025 Total funds £	Unrestricted Funds £ (as restated)	Restricted Funds £ (as restated)	2024 Total funds £
INCOME FROM:							
Donations and legacies	1	161,267	635	161,902	168,783	6,467	175,250
Investments and bank deposits	2	317,326	6,215	323,541	329,714	12,442	342,156
Other							
- Surplus on disposal of tangible fixed assets	3	-	-	-	11,317	-	11,317
Total Income		478,593	6,850	485,443	509,814	18,909	528,723
EXPENDITURE ON:							
Charitable activities							
Support of members of the Congregation and their ministry	4	931,976	-	931,976	890,014	-	890,014
Deficit on disposal of tangible fixed assets	3	54,884	-	54,884	-	-	-
Donations							
- Charitable donations	5	203,910	37,894	241,804	185,550	96,945	282,495
- Heritage Centre net assets	24	-	2,173,218	2,173,218	-	-	-
Heritage Centre	6	25,672	100,147	125,819	-	188,124	188,124
Total Expenditure		1,216,442	2,311,259	3,527,701	1,075,564	285,069	1,360,633
Net expenditure before losses (gains) on investments		(737,849)	(2,304,409)	(3,042,258)	(565,750)	(266,160)	(831,910)
Other recognised gains and losses							
Net (losses) gains on investments	13	(357,498)	-	(357,498)	799,638	-	799,638
Net (expenditure) income and net movement in year	8	(1,095,347)	(2,304,409)	(3,399,756)	233,888	(266,160)	(32,272)
Reconciliation of funds:							
Total funds brought forward at 1 July 2024 as previously stated		13,795,351	2,304,409	16,099,760	13,477,116	2,654,916	16,132,032
Prior year adjustment	20	-	-	-	84,347	(84,347)	-
Total funds brought forward at 1 July 2024 (as restated)		13,795,351	2,304,409	16,099,760	13,561,463	2,570,569	16,132,032
Total funds carried forward at 30 June 2025		£12,700,004	£-	£12,700,004	£13,795,351	£2,304,409	£16,099,760

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2025

With effect from 1 February 2025, the Heritage Centre ceased to be in control by the Little Company of Mary Sisters England CIO and therefore as of that date, the assets and liabilities of the Heritage Centre have been removed from the accounts of Little Company of Mary Sisters England CIO. The income and expenditure relating to the Heritage Centre are defined as discontinued activities within these financial statements.

The impact on income and expenditure of the discontinued operations described above is summarised in the table below:

	Continuing	Dis-continued	2025
	£	£	Total funds
			£
Income	478,593	6,850	485,443
Expenditure			
- Ordinary expenditure	1,228,664	125,819	1,354,483
- Heritage Centre net assets	-	2,173,218	2,173,218
	<u>1,228,664</u>	<u>2,299,037</u>	<u>3,527,701</u>
Net expenditure before losses on investments	(750,071)	(2,292,187)	(3,042,258)
Other recognised losses			
Net losses on investments	(357,498)	-	(357,498)
	<u>(1,107,569)</u>	<u>(2,292,187)</u>	<u>(3,399,756)</u>
Net expenditure and net movement in year	(1,107,569)	(2,292,187)	(3,399,756)

All other activities of the charity comprised continuing operations during the above two financial years.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

BALANCE SHEET

AS AT 30 JUNE 2025

	Notes	2025		2024	
		£	£	£	£
FIXED ASSETS				(as restated)	
Tangible fixed assets	12		2,161,735		4,072,772
Investments	13		10,077,057		10,934,555
			<u>12,238,792</u>		<u>15,007,327</u>
CURRENT ASSETS					
Debtors	14	114,747		103,150	
Cash at bank & in hand		405,056		1,098,618	
			<u>519,803</u>	<u>1,201,768</u>	
CURRENT LIABILITIES					
CREDITORS: Amounts falling due within one year	15	(58,591)		(109,335)	
NET CURRENT ASSETS			461,212		1,092,433
NET ASSETS			<u>£12,700,004</u>		<u>£16,099,760</u>
REPRESENTED BY:					
FUNDS AND RESERVES					
Restricted funds	16		-		2,304,409
Unrestricted funds					
- Designated funds	17	6,458,002		6,661,912	
- Tangible fixed assets fund	18	2,161,735		2,559,588	
- General fund		4,080,267		4,573,851	
			<u>12,700,004</u>	<u>13,795,351</u>	
			<u>£12,700,004</u>	<u>£16,099,760</u>	

Approved by the trustees and signed on their behalf by:

Jeanette Connell
Trustee

Approved by the trustees on: 19 November 2025

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 £	2024 £
Cash flows from Operating Activities			
Net cash used in operating activities	A	<u>(1,737,881)</u>	<u>(929,382)</u>
Cash flows from investing activities			
Investment income and interest received		327,642	342,618
Purchase of tangible fixed assets		(70,530)	(20,152)
Receipts from sales of fixed assets		287,207	124,334
Proceeds from disposal of investments		500,000	500,000
Net cash generated by investing activities		<u>1,044,319</u>	<u>946,800</u>
Change in cash and cash equivalents in the year		(693,562)	17,418
Cash and cash equivalents at 1 July 2024		1,098,618	1,081,200
Cash and cash equivalents at 30 June 2025	B	<u>£405,056</u>	<u>£1,098,618</u>

Notes to the cash flow statement for the year to 30 June 2025

A. Reconciliation of net income for the year to net cash used in operating activities

	2025 £	2024 £
Net expenditure for the year (as per the Statement of Financial Activities)	(3,399,756)	(32,272)
Adjustments for		
Depreciation charge	140,863	162,033
Losses (gains) on investments	357,498	(799,638)
Investment income and interest receivable	(323,541)	(342,156)
Transfer of Heritage Centre fixed assets	1,498,613	-
Deficit (surplus) on disposal of fixed assets	54,884	(11,317)
(Increase) decrease in debtors	(15,698)	146,064
Decrease in creditors	(50,744)	(52,096)
Net cash used in operating activities	<u>£(1,737,881)</u>	<u>£(929,382)</u>

B. Analysis of cash and cash equivalents

Cash at bank and in hand	405,056	1,098,618
Total cash and cash equivalents	<u>£405,056</u>	<u>£1,098,618</u>

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2025

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

Basis of preparation

These accounts have been prepared for the year to 30 June 2025 with comparative information given for the year to 30 June 2024.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating legacies receivable;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge; and
- ◆ determining the amounts to be designated for specific purposes including estimating the Sisters' retirement fund, created in order to provide for the continuing care of the members of the Congregation.
- ◆ estimating the income and expenditure flows and financial position of the charity for the purposes of assessing going concern.

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.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 June 2026, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2025

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 on bank deposits and other income 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.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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 been transferred to the charity.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus/deficit on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2025

Expenditure recognition

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

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

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

The provision of a multi-year grant is recognised where settlement is due over more than one year from the date of the award, and there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable. Such grants are recognised at their discounted present value where the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

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

All expenditure on support and governance has been attributed directly to the charitable activity of supporting members of the Congregation as, in the opinion of the trustees, any amounts in respect to provision of grants and donations and the operation of the Heritage Centre would be minimal.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2025

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Freehold land and buildings

Freehold land and buildings purchased on or prior to 1 January 1998 are included in the accounts at a valuation determined by the trustees as at that date with professional assistance, based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these properties was deemed its cost. Land and buildings purchased on or after 1 January 1998 are shown on the balance sheet at cost.

Land and buildings comprise:

- ◇ Non-specialised land and buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and 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.
- ◇ Specialised buildings comprise the Congregation's convent situated at Westcliffe, where elderly and infirm sisters are cared for, and the Heritage Centre at Nottingham. Depreciation is provided at the following rates per annum based on cost in order to write off each asset over their useful economic life:
 - ◆ Buildings 2% per annum
 - ◆ Improvements 6.67% per annum.

Heritage Centre Fixed Assets, including the specialised building, were transferred to the Generalate charity with effect from 1 February 2025 and have been shown as having been transferred at their net book value. Therefore, no surplus or deficit on disposal falls to be recorded in respect of the transfer.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ Heritage Centre fixtures and fittings

Expenditure on the purchase and replacement of fixtures and fittings for the Heritage Centre is capitalised and depreciated between 4% and 20% per annum depending on the nature of the assets, on a straight line basis in order to write off the cost of each asset over its estimated useful life.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each asset over its 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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2025

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets other than those funded from restricted funds, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise assets and monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Services provided by members of the Congregation

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

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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 INCOME FROM: DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Sisters' salaries and pensions donated under Gift Aid or Deed of Covenant	160,705	-	160,705	166,441	-	166,441
Legacies	-	-	-	1,457	5,160	6,617
Donations	562	635	1,197	885	1,307	2,192
	<u>£161,267</u>	<u>£635</u>	<u>£161,902</u>	<u>£168,783</u>	<u>£6,467</u>	<u>£175,250</u>

2 INCOME FROM: INVESTMENTS AND BANK DEPOSITS

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Income from listed investments	311,870	-	311,870	324,680	-	324,680
Bank interest	5,456	6,215	11,671	5,034	12,442	17,476
	<u>£317,326</u>	<u>£6,215</u>	<u>£323,541</u>	<u>£329,714</u>	<u>£12,442</u>	<u>£342,156</u>

3 DEFICIT / SURPLUS ON SALE OF TANGIBLE FIXED ASSETS

	Unrestricted funds			Unrestricted funds		
	Proceeds (net) Funds £	Net Book Value Funds £	Total 2025 £	Proceeds (net) Funds £	Net Book Value Funds £	Total 2024 £
(Deficit) surplus on disposal of freehold property	282,957	(342,091)	(59,134)	120,334	(113,015)	7,319
Surplus on disposal of motor vehicle	4,250	-	4,250	4,000	(2)	3,998
Overall (deficit) surplus on disposal of tangible fixed assets	<u>£287,207</u>	<u>£(342,091)</u>	<u>£(54,884)</u>	<u>£124,334</u>	<u>£(113,017)</u>	<u>£11,317</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

4 EXPENDITURE ON: SUPPORT OF MEMBERS OF THE CONGREGATION AND THEIR MINISTRY

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Premises and equipment costs	27,450	-	27,450	85,289	-	85,289
Sisters' living and ministry expenses	739,774	-	739,774	682,168	-	682,168
Other support costs	151,192	-	151,192	109,447	-	109,447
Governance costs (note 7)	13,560	-	13,560	13,110	-	13,110
	<u>£931,976</u>	<u>£-</u>	<u>£931,976</u>	<u>£890,014</u>	<u>£-</u>	<u>£890,014</u>

5 EXPENDITURE ON: DONATIONS AND GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
The Palliative Care Centre in Korce, Albania	31,683	37,894	69,577	-	96,945	96,945
Contribution to the Generalate Merseyside Counselling	63,050	-	63,050	63,050	-	63,050
Little Company of Mary Generalate Emergency	40,000	-	40,000	40,000	-	40,000
LCM Congregation Associates Fund	9,250	-	9,250	12,500	-	12,500
Casa Generlaizia	2,000	-	2,000	-	-	-
CAFOD	8,617	-	8,617	-	-	-
Jesuit Refugee Service	10,000	-	10,000	10,000	-	10,000
RLSS - Donation to Common Fund	-	-	-	1,000	-	1,000
Famullia Church Albania	-	-	-	1,000	-	1,000
K Wilkinson - Donation to support masters	-	-	-	-	-	-
Catholic Marriage Care	-	-	-	5,000	-	5,000
St Barnabas Cathedral	1,000	-	1,000	1,000	-	1,000
The Passage	5,000	-	5,000	5,000	-	5,000
Emmaus House	5,000	-	5,000	5,000	-	5,000
Mary's Meals	5,000	-	5,000	5,000	-	5,000
Shooting Star Children's Hospice	2,000	-	2,000	2,000	-	2,000
Cardinal Hume Centre	5,000	-	5,000	5,000	-	5,000
Catholic Children's Society	2,000	-	2,000	2,000	-	2,000
Emmanuel House	5,000	-	5,000	5,000	-	5,000
Aid to the Church in Need	3,000	-	3,000	3,000	-	3,000
Catholic Church, Albania	-	-	-	2,000	-	2,000
Good Shepherd Building Fund	-	-	-	1,000	-	1,000
Payments of less than £1,000 each	1,310	-	1,310	2,000	-	2,000
Total	<u>£203,910</u>	<u>£37,894</u>	<u>£241,804</u>	<u>£185,550</u>	<u>£96,945</u>	<u>£282,495</u>

No donations were paid to individuals in the year to 30 June 2025 (30 June 2024: none).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

6 EXPENDITURE ON: HERITAGE CENTRE
Discontinued activity with affect from February 2025

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Heritage Centre operating expenses	25,672	56,165	81,837	-	112,692	112,692
Depreciation	-	43,982	43,982	-	75,432	75,432
	<u>£25,672</u>	<u>£100,147</u>	<u>£125,819</u>	<u>£-</u>	<u>£188,124</u>	<u>£188,124</u>

7 GOVERNANCE COSTS

	Total 2025 £	Total 2024 £
Auditor's remuneration (including VAT):		
- Current year	12,750	12,750
- Prior year	810	360
	<u>£13,560</u>	<u>£ 13,110</u>

8 NET MOVEMENT IN FUNDS FOR THE YEAR

	Total 2025 £	Total 2024 £
This is stated after charging / (crediting):		
Staff costs (note 9)	515,694	493,207
Auditor's remuneration (including VAT):		
- Statutory audit fees		
- Current year	12,750	12,750
- Prior year	810	360
Deficit (surplus) on disposal of tangible fixed assets	54,884	(11,317)
Heritage Centre cash transferred	674,605	-
Heritage Centre fixed assets transferred	1,498,613	-
Depreciation	140,863	162,033
	<u></u>	<u></u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

9 STAFF COSTS

	Total 2025 £	Total 2024 £
Staff costs during the year were as follows:		
Wages and salaries	416,372	409,892
Social security costs	28,158	26,772
Other pension costs	22,558	18,572
	<hr/>	<hr/>
	467,088	455,236
Agency staff	48,606	37,971
	<hr/>	<hr/>
	£515,694	£493,207
	<hr/> <hr/>	<hr/> <hr/>

No employees earned £60,000 per annum or more (excluding employer's pension contributions but including benefits) during the year (2024 -- none).

The average number of employees, analysed by function, was:

	2025 No.	2024 No.
Support of members of the Congregation and their ministry	17.1	17.6
Heritage Centre (until transfer in January 2025)	2.0	2.0
	<hr/>	<hr/>
	19.1	19.6
	<hr/> <hr/>	<hr/> <hr/>

10 KEY MANAGEMENT, TRUSTEES' EXPENSES AND REMUNERATION AND TRANSACTIONS WITH TRUSTEES

The trustees consider that the key management of the charity consist of two Sisters, including the Leader of LCM England to whom, much of the running of the day-to-day operation devolves, and a lay person. As religious sisters, under a vow of poverty, the LCM Sisters who are trustees, do not receive remuneration and the Treasurer, the lay trustee, received a salary in her capacity as an employee.

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

As members of the Congregation, none of the trustees have resources of their own. 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 £27,595 (2024: £38,190).

Mrs Eileen Frost, an employee of the Charity, was appointed as a Trustee on 2 September 2024. In the period since her appointment, she has received remuneration of £35,123 (2024 - £nil), including Employer's Pension Contributions of £6,798 (2024 - £nil) in her capacity as an employee. Charity Commission consent to this was received, in accordance with clause 6 of the Constitution, on 15 August 2024.

11 TAXATION

The Little Company of Mary Sisters England CIO is a Charitable Incorporated Organisation 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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

12 TANGIBLE FIXED ASSETS

	Land and Buildings		Heritage Centre and furniture £	Furniture, Fittings and Equipment £	Motor vehicles £	TOTAL £
	Non- specialised £	Specialised £				
Cost or valuation						
At 1 July 2024	1,527,255	3,320,620	1,261,037	103,725	49,880	6,262,517
Additions	-	-	29,411	18,180	22,939	70,530
Disposals	(342,091)	-	-	-	-	(342,091)
Transfer of Heritage Centre to the Generalate (note 24)	-	(1,481,827)	(1,290,448)	-	-	(2,772,275)
30 June 2025	<u>1,185,164</u>	<u>1,838,793</u>	<u>-</u>	<u>121,905</u>	<u>72,819</u>	<u>3,218,681</u>
Depreciation						
At 1 July 2024	-	1,253,093	799,966	98,529	38,157	2,189,745
Charge for the year	-	97,833	26,694	6,693	9,643	140,863
Transfer of Heritage Centre to the Generalate (note 24)	-	(447,002)	(826,660)	-	-	(1,273,662)
30 June 2025	<u>-</u>	<u>903,924</u>	<u>-</u>	<u>105,222</u>	<u>47,800</u>	<u>1,056,946</u>
Net book value						
30 June 2025	<u>£1,185,164</u>	<u>£934,869</u>	<u>£ -</u>	<u>£16,683</u>	<u>£25,019</u>	<u>£2,161,735</u>
30 June 2024	<u>£1,527,255</u>	<u>£2,067,527</u>	<u>£461,071</u>	<u>£5,196</u>	<u>£11,723</u>	<u>£4,072,772</u>

As permitted under FRS 102, the charity has opted to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings owned at 31 December 1997 is based on trustees' valuation made, with professional assistance, as at that date on the basis of replacement value for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost. Additions in subsequent years are stated at cost. Other tangible fixed assets are stated at cost.

Non-specialised land and buildings included one property (2024: two properties) held on a long lease of 999 years which commenced on 29 September 1968. The net book value of the property in the balance sheet at 30 June 2025 was £359,987 (2024: £702,087). All other land and buildings, both non-specialised and specialised, were freehold.

The historical cost of the freehold land and buildings included above at a valuation cannot be obtained without significant time and expense researching past records. The trustees are of the opinion that such information would not add to the understanding of the accounts.

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, are not justified in terms of the benefit to the users of the accounts.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

13 LISTED INVESTMENTS

	Total 2025 £	Total 2024 £
Listed investments		
Market value at 30 June 2024	10,934,555	10,634,917
Disposals at book value (see below)	(486,329)	(522,515)
Net unrealised investment (losses) gains	(371,169)	822,153
	<u>£10,077,057</u>	<u>£10,934,555</u>
Market value at 30 June 2025		
Cost of assets at year-end	<u>£9,574,851</u>	<u>£10,020,527</u>
	Total 2025 £	Total 2024 £
Disposals at book value included above are made up of the following:		
Proceeds	500,000	500,000
(Gains) losses on disposal	(13,671)	22,515
	<u>£486,329</u>	<u>£522,515</u>
Listed investments held comprised the following:		
	Total 2025 £	Total 2024 £
CAIF Catholic Investment Income Fund	<u>£10,077,057</u>	<u>£10,934,555</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

14 DEBTORS

	Total 2025 £	Total 2024 £
Investment income and interest receivable	73,588	77,689
Prepayments	30,810	17,294
Other debtors	10,349	8,167
	<u>£114,747</u>	<u>£103,150</u>

15 CREDITORS – Amounts falling due within one year

	Total 2025 £	Total 2024 £
Monies administered on behalf of individual members of the Congregation	20,140	20,140
Donations	-	59,970
Sundry creditors	15,501	8,975
Accruals and deferred income	22,950	20,250
	<u>£58,591</u>	<u>£109,335</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

16 RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following assets and unexpended balances of donations and grants held on trust to be applied for specific purposes:

Current year

	Albania Fund £	Heritage Centre Fund £ (as restated)	Total £
At 1 July 2024	37,894	2,266,515	2,304,409
Income	-	6,850	6,850
Expenditure	(37,894)	(2,273,365)	(2,311,259)
At 30 June 2025	<u>£-</u>	<u>£-</u>	<u>£-</u>

Prior Year

	Albania Fund £	Heritage Centre Fund £ (as restated)	Total £
At 1 July 2023	134,839	2,435,730	2,570,569
Income	-	18,909	18,909
Expenditure	(96,945)	(188,124)	(285,069)
At 30 June 2024	<u>£37,894</u>	<u>£2,266,515</u>	<u>£2,304,409</u>

Albania Fund

This fund comprises funds raised specifically towards the Congregation's mission in Albania. All the remaining monies within the Albania Fund were spent in the year, leaving a nil balance at 30 June 2025.

Heritage Centre fund

This fund was established in 2006 from a donation from the Little Company of Mary Generalate in order to establish a Heritage Centre in Nottingham. In 2009, donations amounting to £2,695,600 were received from the Congregation's Provinces/Regions in Australia, Ireland, Korea, New Zealand, Southern Africa and United States of America to help finance the development of the Heritage Centre.

This Heritage Centre was officially opened on 10 February 2010 and is used to present artefacts and memorabilia relating to the foundress of the Little Company of Mary, Venerable Mary Potter.

The balance on the Heritage Centre fund at 30 June 2023 has been restated (see note 2). All assets in the fund were transferred to the Generalate in February 2025.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

17 DESIGNATED FUND

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	Sisters' Retirement Fund £	Congregation Giving Fund £	Total £
At 1 July 2024	4,700,000	1,961,912	6,661,912
Utilised / released	-	(203,910)	(203,910)
	<u>4,700,000</u>	<u>1,758,002</u>	<u>6,458,002</u>
At 30 June 2025	£4,700,000	£1,758,002	£6,458,002

	Sisters' Retirement Fund £	Congregation Giving Fund £	Total £
At 1 July 2023	4,700,000	2,147,462	6,847,462
Utilised / released	-	(185,550)	(185,550)
	<u>4,700,000</u>	<u>1,961,912</u>	<u>6,661,912</u>
At 30 June 2024	£4,700,000	£1,961,912	£6,661,912

The sisters' retirement fund consists of monies which the trustees have set aside in order to provide for the sisters in their retirement. The fund value has been calculated using actuarial principles.

The Congregation giving fund consists of monies set aside by the trustees, the investment income on which is to be applied toward future grants and donations.

18 TANGIBLE FIXED ASSETS FUND

	Total 2025 £	Total 2024 £
At 1 July 2024	2,559,588	2,739,054
Net movements in year	(397,853)	(179,466)
	<u>2,161,735</u>	<u>2,559,588</u>
At 30 June 2025	£2,161,735	£2,559,588

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 June 2025 are represented by:

	General funds	Tangible Fixed Assets funds	Designated funds	Restricted funds	Total 2025
	£	£	£	£	£
Tangible fixed assets	-	2,161,735	-	-	2,161,735
Investments	3,619,055	-	6,458,002	-	10,077,057
Net current assets	461,212	-	-	-	461,212
Total net assets	£4,080,267	£2,161,735	£6,458,002	£-	£12,700,004

Fund balances at 30 June 2024 are represented by:

As Re-stated

	General funds	Tangible Fixed Assets funds	Designated funds	Restricted funds	Total 2024
	£	£	£	£	£
Tangible fixed assets	-	2,559,588	-	1,513,184	4,072,772
Investments	4,272,643	-	6,661,912	-	10,934,555
Net current assets	301,208	-	-	791,225	1,092,433
Total net assets	£4,573,851	£2,559,588	£6,661,912	£2,304,409	£16,099,760

The total unrealised gains as at 30 June 2025 constitute movements on revaluations of investments are as follows:

	Total 2025 £	Total 2024 £
Unrealised gains on investments	£502,206	£914,028
Reconciliation of movements in unrealised (losses) gains		
Unrealised gains at 1 July 2024	914,028	96,623
Less: in respect of disposals in the year	(40,653)	(4,748)
Net (losses) gains arising on revaluation in the year	(371,169)	822,153
Unrealised gains at 30 June 2025	£502,206	£914,028

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

20 PRIOR YEAR ADJUSTMENT

It became apparent that certain sums charged to expenditure of Unrestricted Funds in the Statement of Activities during the period 1 January 2018 to 30 June 2022 in fact related to the Heritage Centre Restricted Funds.

Accordingly, the balances on the Heritage Centre Fund has been reduced and Unrestricted Funds increased by the amount involved of £84,347.

	2025		2024	
	Unrestricted Funds £	Restricted Funds £	Unrestricted Funds £	Restricted Funds £
Fund Balances brought forward at 1 July as previously reported	13,711,004	2,388,756	13,477,116	2,654,916
Prior Year Adjustments				
Re-classification of expenditure from Unrestricted to Restricted Funds	84,347	(84,347)	84,347	(84,347)
Fund Balances at 30 June as re-stated	<u>13,795,351</u>	<u>2,304,409</u>	<u>13,561,463</u>	<u>2,570,569</u>
Net movement in Funds as previously stated	(1,095,347)	(2,304,409)	233,888	(266,160)
Fund Balances as at 30 June	<u>£12,700,004</u>	<u>£ -</u>	<u>£13,795,351</u>	<u>£2,304,409</u>

No adjustment falls to be made in the Statement of Financial Activities in either the current or the preceding financial year.

21 POST BALANCE SHEET EVENTS

A property in Nottingham owned by the Charity was sold after the year end for £465,000. The property is included in the Balance Sheet at a Net Book Value of £129,088.

22 ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Little Company of Mary due to the Leader LCM England, by virtue of her office, being ex-officio the sole member of the CIO.

23 LIABILITY OF THE MEMBER TO CONTRIBUTE TO THE ASSETS OF THE CIO IF IT IS WOUND UP

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.

24 TRANSFER OF THE HERITAGE CENTRE

With effect from 1 February 2025, the assets and liabilities of the Heritage Centre were transferred to Little Company of Mary Congregation CIO (Charity Registration Number 1161450). The net assets comprised the following:

	Restricted Funds 2025 £
Tangible fixed assets	1,498,613
Cash at bank and in hand	674,605
	<u>£2,173,218</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

England & Wales - Charity number 1186617

Accounts

**LITTLE COMPANY OF MARY SISTERS
ENGLAND CIO
(Registered Charity Number 1186617)**

TRUSTEES' REPORT AND ACCOUNTS

30 JUNE 2024

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO
FOR THE YEAR ENDED 30 JUNE 2024

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LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR ENDED 30 JUNE 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Sister Jeannette Connell Sister Anita MacDonald Mrs Eileen Frost (appointed 2 September 2024) Sister Margaret Service (deceased 30 March 2024)
Leader LCM England	Sister Jeannette Connell
Treasurer	Mrs Eileen Frost
Principal Office	Administrative Office 93 Gunnersbury Avenue Ealing London W5 4LR
Governing Instrument	CIO Association registered 27 November 2019
Charity Registration Number (England and Wales)	1186617
Accountant	David Clark FCA 1 st Floor Church House 61 College Road Bromley BR1 3QG
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal Bankers	The Royal Bank of Scotland plc PO Box 412 2/63 Threadneedle Street London E14 5HP
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The trustees present their report together with the accounts of the Little Company of Mary Sisters England CIO, a Charitable Incorporated Organisation (CIO) (the "charity" or the "CIO") for the year to 30 June 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 24 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 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).

INTRODUCTION

The Little Company of Mary (the Congregation) is an international Catholic apostolic religious congregation of women founded in Nottingham by Mary Potter, an Englishwoman, in 1877. The Congregation is divided into a number of individual provinces, regions, and communities. The general administration is located in London.



The accounts accompanying this report are the accounts of the CIO through which the assets of the Congregation in the United Kingdom have been administered since 1 July 2021.

MISSION

The Little Company of Mary Sisters England CIO enables the sisters of the Congregation to carry out their principal ministry of caring for the suffering, the sick and dying. The original inspiration came to Mary Potter after a serious illness during which time she found she could not pray and during which she saw the need for a group of women in the Church who would minister to and pray for the sick and dying, especially in their hour of need.

The charity aims to support the religious and other charitable works carried on by members of the Congregation and to care for those members throughout their lives with the Congregation. These ministries of the sisters of the Congregation, all of which benefit numerous members of the general public, fall into the following main areas:

◆ Social and pastoral work

Fewer members of the Congregation are involved in ministry because of age and fragility. Those who are able, continue to offer pastoral support in parishes.

◆ Overseas missionary work

The charity continues to support a Palliative Care Team working in healthcare, social and pastoral fields in Albania.

◆ Heritage Centre, Nottingham

The International Congregation established the Heritage Centre in Nottingham to house the artefacts and memorabilia relating to the Congregation's Foundress, Mary Potter, and to promote the Charism and Spirituality of the Little Company of Mary. This ministry is on behalf of the International Congregation.

◆ Care of members of the Congregation

By caring for members of the Congregation, the charity ensures that the sisters' ministry continues for as long as possible.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

GOVERNANCE, STRUCTURE AND MANAGEMENT

Background

The CIO is governed by a constitution dated 14 November 2019 and is registered with the Charity Commission in England and Wales, (Charity Registration No. 1186617).

In 2023 and following consultation with the Sisters in the Region of the Maternal Heart and with Congregational Leadership a decision was made to transfer from Region status to a Community with direct relationship with the Congregational Leader. This decision was taken to comply with Canon Law requirements

We have been the Maternal Heart Community since 1 January 2023. Sister Jeannette Connell is the Leader LCM England.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office during the year to 30 June 2024 are given below:

Trustees

Sister Jeannette Connell – Leader LCM England

Sister Jeannette entered the Congregation of the Little Company of Mary in 1969, having completed her general nursing and midwifery training. She obtained a diploma in Clinical Nurse Education in 1981, completed a management course in 1987, and obtained a diploma in Palliative Care in 1988. Sister Jeannette has worked as a Registered Nurse in the National Health Service and in hospitals sponsored by the English Province and was Matron of the Convent Hospital in Nottingham for 10 years until 1998. She served as a Provincial Councillor and trustee from 1985 to 1990 and 1995 to 2000. She was Provincial Leader of the English Province from 2000 to 2005 and served as a trustee during that period. She was elected as Congregational Leader in 2005 for a period of 6 years, completing the term in 2011. In July 2011, she was appointed as Provincial Leader for a period of five years and was re-appointed as Province Leader for a further five years from July 2016 and currently serves as a trustee. On 1 January 2023 she was appointed Leader LCM England.

Sister Anita MacDonald – Trustee

Sister Anita joined the Little Company of Mary in 1963. She qualified in General, Psychiatry and District Nursing and worked in England. She was Formation Directress for 10 years in the UK Province and in 1993 with two other sisters founded a mission to assist the sick and dying in Albania which is now managed by Albanian doctors and nurses. Sister Anita has served as Province Councillor and was elected as Congregational Councillor from 1999 to 2005. She is currently a member of the Heritage Centre community and is involved in the ministry of Spiritual Direction and is local facilitator for the Little Company of Mary Associates.

Sister Margaret Service - Trustee

Sister Margaret joined the Little Company of Mary in England in 1961 and qualified in 1969 as a State Registered Nurse. She undertook further nursing studies at the Royal College of Nursing and qualified as a Clinical Nurse Teacher in 1974. She worked and taught within NHS Hospitals for ten years until a further appointment as Matron of St Raphael's Hospital Edinburgh, a small general hospital run by the Little Company of Mary. During this time, she did a Nursing Officers Management course at Queen Margaret College. In 1986 she obtained a post graduate diploma in Pastoral Theology from Heythrop College, University of London, thereafter, joining the Prison Service as a full time Chaplain. She served as a Province Councillor and trustee from 2000 to 2005. In 2006 she returned to Edinburgh as a local leader for a small group of older Little Company of Mary sisters, her role being mainly administration and pastoral care. In 2011 she was again appointed as a Province Councillor and trustee and currently lives in Nottingham having joined the team at the Little Company of Mary Heritage Centre.

Sister Margaret Service served as a trustee until sadly her sudden death on 30 March 2024. RIP

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions 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 and the applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They regularly meet /consult to review developments with regard to the charity or their activities and make any important decisions. When necessary, the trustees seek advice and support from professional advisers including property consultants, investments 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 Congregation or senior staff.

Key management personnel

The trustees consider that the key management of the charity consist of themselves and in particular the Leader of LCM England to whom much of the running of the day-to-day running operation devolves. As religious sisters, under a vow of poverty, the trustees do not receive remuneration.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the charity currently faces. They have reviewed the measures already in place, or needing to be put in place, to deal with them. The trustees have identified five main areas where risks may occur:

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

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

Operational looks at the risks inherent in the charity's activities including the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

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

Reputational looks at possible damage to the Congregation's reputation and/or charity's reputation.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations.

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

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

- ◆ The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid Compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally the charity works with vulnerable adults, including older people, and occasionally with children. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serve. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA) and are a member of the Religious Life Safeguarding Service (RLSS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers are kept informed about good practice in work and ministry.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- ◆ The charity donates significant sums in support of the wider Congregation and other organisations. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and are familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs.
- ◆ The charity runs a care facility for its own sisters at Westcliff-on-Sea. As with any such operation, there are continual regulatory changes which must be complied with and financial pressures such as the fact that costs tend to rise with need to provide staff cover for 24 hours. The trustees consult with Healthcare Management Trust, a charity specialising in the provision of hospital and elderly care with a Christian ethos.

PUBLIC BENEFIT

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

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

As stated above under "Mission", the activities of the charity during the year can be divided into four principal areas: caring for members of the Congregation, the social and pastoral work of the sisters, the support of overseas missionary work and the operation of the Mary Potter Heritage Centre. Each of these is considered in turn below:

Care of members of the Congregation

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation is increasing as existing members grow older. There are no new members in the English Region.

The age of the sisters ranges from 77 to 95 years. The average age is 86. There were 13 sisters in the Maternal Heart Community at the beginning of the financial year. During the year 1 Sister died. The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted their lives to prayer and the care of the sick, the elderly, poor and marginalised in society. As the age profile of the Congregation increases so too does the need to provide increasingly expensive care for the sisters.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Care of members of the Congregation (continued)

Sisters requiring additional care live in Westcliff on Sea. They benefit from living in their own religious community setting, where they can continue their own individual and community prayer for the needs of the world and especially for the sick and dying. A Care Manager and staff support and care for the sisters over the 24-hour period. The care needs continue to increase. Therefore, the trustees of the Little Company of Mary Sisters England CIO give careful consideration to the impact of this on the work of individual members of the Congregation, the property requirements of the Congregation and the financial implications. In this regard, the aims of the trustees of the CIO over the forthcoming years include:

- ◆ Ensuring all members of the Congregation receive the high level of care they require to provide them with the quality of life they should rightly expect;
- ◆ Reviewing properties used as community houses and assessing their suitability as homes for the elderly and frail. Those identified as being unsuitable will be adapted or, if this proves impossible, sold and replaced with properties more appropriate for the elderly;
- ◆ Enabling all members of the Congregation to continue with their individual ministries for as long as possible.

Social and pastoral work

The following are examples of the social and pastoral work undertaken by individual sisters:

- ◆ Parish visiting and pastoral support.
- ◆ Responding to requests for prayer from individuals and praying with the housebound.
- ◆ Two Sisters Eucharistic ministers in parishes, individuals at home and care homes.
- ◆ One volunteer at a local NHS hospital 2 days per week.
- ◆ Ministering in the Mary Potter Heritage Centre for the Congregation, in Nottingham, facilitating individuals and groups from parishes, schools and other interested parties in Nottingham and surrounding areas. Planning and facilitating heritage pilgrimages for international groups e.g. staff from LCM facilities and LCM Associates.
- ◆ The sisters also provide accompaniment to lay people who wish to embrace our charism and spirituality. Some of whom become Affiliate and Associate members of the Little Company of Mary.
- ◆ One sister serves as a trustee on a grant giving charity in Nottingham.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Social and pastoral work (continued)

The aims of the trustees in this area include:

- ◆ Enabling members of the Congregation to carry out meaningful social and pastoral work within the community after assessing their skills and the needs of the local area;
- ◆ Encouraging and motivating members to support and assist the poor, elderly and marginalised;
- ◆ Wherever possible ensuring sisters are remunerated for such work by way of stipend. Such income is donated to the charity and thereby ensures that the work of the sisters and charity may continue and develop.

Overseas missionary work

Mary Potter Palliative Care Centre, Korce, Albania

After 11 years in Albania, the Little Company of Mary withdrew in June 2004 handing over responsibility for the palliative care service in Korce to the local staff. The charity continues to support the palliative care ministry in Korce where the staff provide symptom control, chemotherapy, day care, primarily for cancer sufferers. The clinic continues to be viewed as a 'place of excellence' by the Albania authorities. They also have international recognition from other palliative care organisations.

The staff maintain Little Company of Mary ethos both in its work in the clinic and in the community. The team members continue to view education of others in palliative care to be of the utmost importance and to this end they provide education in palliative care in several areas of Albania.

The staff offer training to family members, especially in end-of-life care. This provision is appreciated and is modelling the development of palliative care in Albania. The staff are mindful of the responsibility for their own education and development and attend workshops in other parts of Europe.

The charity is committed to the provision of funding to support the palliative care ministry in Albania and we continue to send funds as required.

The clinic is well maintained, and the staff are aware of the need for good stewardship of the building.

In summary, the palliative care team consists of 16 paid members of staff consisting of administrative, clinical, nursing, maintenance and support staff.

The trustees receive a quarterly financial and narrative report from the Manager, showing that the funds and equipment provided by the charity are used for the purposes intended.

We continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as supporting the growth of the mission in Albania.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Heritage Centre, Nottingham

The Maternal Heart Community continue responsibility for the Heritage Centre in Nottingham. The ministry is on behalf of the International Congregation. The Heritage Centre greeted 383 visitors during the year, including parish and school groups, individuals and participated in the Heritage Open Day event in Nottingham.

We are now working with our Congregational Leadership Team to transfer the responsibility along with the Fixed Tangible Assets to the International Congregation. It is planned to have this complete by February 2025. We are assisted by our legal Advisors and our Accountant.

Volunteers

Throughout the year, the members of the Congregation give their time to assist the poor and marginalised and those in need. We receive one stipend for a parish Sister which contributes to the overall achievement of the charity's objectives. The other sisters receive no financial reward for their ministry. While all the sisters contribute to the mission of the Congregation sisters are specifically involved in the ministries listed below. Some sisters are involved in one or more of the ministries listed. In addition, members are involved in administering the work of the Congregation and charity - without their contribution, the charity would not be able to function as effectively or fully as it does. Details of the areas in which members gave their time are shown in the table below. All sisters are supportive of the people in local parishes.

Area	Number of sisters involved
Parish work and Eucharistic ministry	2
Volunteer at local hospital	1
Heritage Centre	1 full time

Protection of Children and Vulnerable Adults

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. All sisters who are in any kind of ministry in UK have to obtain clearance from the Disclosure and Barring Service (DBS). Employees and 4 volunteers have DBS Certificates. We are now fully aligned with the Religious Life Safeguarding Service (RLSS) and the Catholic Safeguarding Standards Agency (CSSA). During the year Trustees have undertaken safeguarding training with RLSS.

Grants, donations and support of missionary work and ministry

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

Whilst the trustees give occasional support to United Kingdom organisations whose work is within the objects of the charity, it does not regard itself as a grant making entity and applications for grants and donations are not invited. Donations, however, are made to much needed services for the poorest and marginalised people in society in line with Mary Potter's vision of working with those in desperate need.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Investment policy

The charity's investments are managed by CCLA. All investments have been moved into the Catholic Investment Fund held to align investments with the catholic ethos. 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 manager's view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised 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 Catholic Church.

The performance of the portfolio and the investment strategy are reviewed by the trustees who meet with the investment managers every six months.

FINANCIAL REVIEW AND RESERVES POLICY

Results for the year

A summary of the results of the year to 30 June 2024 can be found on page 17 of this report and accounts.

Total income for the year to 30 June 2024 was £528,723 (2023: £557,433). This included investment income of £342,156 (2023: £342,120) and voluntary income of £175,250 (2023: £211,114). This latter category includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid. There was legacy income of £6,617 received in the year (2023: £35,200).

Expenditure for the year to 30 June 2024 amounted to £1,360,633 (2023: £1,157,309). This includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

Expenditure connected with the Heritage Centre was £188,124 (2023: £180,766) including depreciation of £75,432 (2023: £90,933) on the Heritage Centre property and fixtures and fittings. Donations and grants paid totalled £282,495 (2023: £160,518), which included a number of committed amounts to charitable projects.

Net expenditure, before investment gains (losses) for the year to 30 June 2024 was £831,910 (2023: £599,876).

There were investment gains of £799,638 (2023: £122,066). The overall result was net expenditure of £32,272 (2023: £477,810).

Investment performance

As previously stated, the charity's investments are managed by CCLA. At 30 June 2024, the investments had a market value of £10,934,555 (2023: £10,634,917). Total funds of £500,000 were drawn down from the portfolio during the year (2023: £500,000).

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 13 to the attached accounts. During the year to 30 June 2024, the charity's investments achieved an annualised income yield of +3.22% (2023: 3.11%), and an annualised capital return of +7.52% (2023: +1.11%) meaning the total return for the year was +10.74% (2023: 4.22%). Returns were marginally ahead of the averages quoted for the charity sector over the year and the trustees, therefore, are satisfied with investment performance.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

FINANCIAL REVIEW AND RESERVES POLICY (continued)

Reserves policy

The charity carries out a diverse range of activities and is responsible for the care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to up to four years' expenditure at any one time. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income and will allow the trustees to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

Balance sheet reserves stood at £16,099,760 (2023: £16,132,032).

The tangible fixed assets fund totalled £2,559,588 (2023: £2,739,054), comprising the tangible fixed assets used to support the work of the sisters, excluding those assets relating to the Heritage Centre which are financed from restricted funds.

£4,700,000 (2023: £4,700,000) has been set aside to provide for the sisters in their retirement, none of whom have resources of their own. The calculations, based on actuarial methods, indicated that this amount is needed to be set aside in order to provide for the sisters and for the increasingly expensive health and care costs which become inevitable as people grow older. A further £1,961,912 (2023: £2,147,462) has been set aside as a Congregation Giving Fund to be applied to future grants and donations.

Of the remaining funds, £2,388,756 (2023: £2,654,916) are restricted funds comprising funds held for the overseas mission in Albania of £37,894 (2023: £134,839) and £2,350,862 (2023: £2,520,077) in respect of the Heritage Centre Fund being the property purchased and refurbished for the Centre and other monies received specifically for its establishment.

Funds available to support the work of the sisters in the future, in particular the support of the Congregation's missionary and healthcare work, are shown as general funds on the balance sheet and amounted to £4,489,504 (2023: £3,890,600). This figure needs to be considered in the light of ongoing annual expenditure from unrestricted funds of approximately £1.3m (2023 - £1.2m), the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas and the fact that the charity is sustaining annual operating deficits. The trustees are of the opinion that the free reserves are adequate but not excessive and in line with the above policy.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2024

FUTURE PLANS

In the CIO, we continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as appropriate Leadership structures for the future.

- ◆ The trustees do not anticipate any significant change to activities over the next two to five years. It is their intention to continue to meet the following objectives:
- ◆ To monitor the needs of the sisters as they grow older and, if necessary, adapt the charity's plans in respect of property needs and the provision of care to elderly members.
- ◆ To continue to care for the sisters and to enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible.
- ◆ To support the Congregation's work overseas and for the trustees to satisfy themselves that the funds are applied for their intended purpose.
- ◆ To consider setting aside further designated funds to earmark monies to be used to finance an enhanced grant-making programme.

EMPLOYEES, VOLUNTEERS AND MEMBERS OF THE CONGREGATION

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

Signed on behalf of the trustees:



Jeannette Connell
Trustee

Approved by the trustees on:

15th November 2024

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO

Opinion

We have audited the accounts of the Little Company of Mary Sisters England CIO (the 'charity') for the year ended 30 June 2024 which comprise the statement of financial activities, the balance sheet, the statements 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 30 June 2024 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

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

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 the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

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

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

- ◆ Enquiring as to actual and potential litigation and claims.

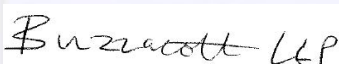
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance 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 Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP

Statutory Auditor

130 Wood Street London

EC2V 6DL

Date: 2 December 2024

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total funds £	Unrestricted Funds £	Restricted Funds £	2023 Total funds £
INCOME FROM:							
Donations and legacies	1	168,783	6,467	175,250	180,034	31,080	211,114
Investments and bank deposits	2	329,714	12,442	342,156	336,567	5,553	342,120
Other - Surplus on disposal of tangible fixed assets	3	11,317	-	11,317	4,199	-	4,199
Total Income		509,814	18,909	528,723	520,800	36,633	557,433
EXPENDITURE ON:							
Charitable activities							
Support of members of the Congregation and their ministry	4	890,014	-	890,014	816,025	-	816,025
Donations	5	185,550	96,945	282,495	141,550	18,968	160,518
Heritage Centre	6	-	188,124	188,124	22	180,744	180,766
Total Expenditure		1,075,564	285,069	1,360,633	957,597	199,712	1,157,309
Net expenditure before (losses) / gains on investments		(565,750)	(266,160)	(831,910)	(436,797)	(163,079)	(599,876)
Other recognised gains and losses							
Net gains/(losses) on investments	13	799,638	-	799,638	122,066	-	122,066
Net income/(expenditure) and net movement in year	8	233,888	(266,160)	(32,272)	(314,731)	(163,079)	(477,810)
Reconciliation of funds:							
Total funds brought forward at 1 July 2023		13,477,116	2,654,916	16,132,032	13,791,847	2,817,995	16,609,842
Total funds carried forward at 30 June 2024		£13,711,004	£2,388,756	£16,099,760	£13,477,116	£2,654,916	£16,132,032

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	2024		2023	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	12		4,072,772		4,327,670
Investments	13		10,934,555		10,634,917
			<u>15,007,327</u>		<u>14,962,587</u>
CURRENT ASSETS					
Debtors	14	103,150		249,676	
Cash at bank & in hand		1,098,618		1,081,200	
		<u>1,201,768</u>		<u>1,330,876</u>	
CURRENT LIABILITIES					
CREDITORS: Amounts falling due within one year	15	(109,335)		(101,461)	
			<u>1,092,433</u>		<u>1,229,415</u>
NET CURRENT ASSETS					
			<u>16,099,760</u>		<u>16,192,002</u>
CREDITORS: Amounts falling due after one year					
	16		-		(59,970)
NET ASSETS					
			<u><u>£16,099,760</u></u>		<u><u>£16,132,032</u></u>
REPRESENTED BY:					
FUNDS AND RESERVES					
Restricted funds	17		2,388,756		2,654,916
Unrestricted funds					
- Designated funds	18	6,661,912		6,847,462	
- Tangible fixed assets fund	19	2,559,588		2,739,054	
- General fund		4,489,504		3,890,600	
			<u>13,711,004</u>		<u>13,477,116</u>
			<u><u>£16,099,760</u></u>		<u><u>£16,132,032</u></u>

Approved by the trustees and signed on their behalf by:

Jeannette Connell
Trustee

J. COLLIER

Approved by the trustees on: *15th November* 2024

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £	2023 £
Cash flows from Operating Activities			
Net cash used in operating activities	A	(929,382)	(923,215)
Cash flows from investing activities			
Investment income and interest received		342,618	345,755
Purchase of tangible fixed assets		(20,152)	(14,655)
Receipts from sales of fixed assets		124,334	4,200
Purchase of investments		-	(10,538,294)
Proceeds from disposal of investments		500,000	11,038,294
Net cash generated by investing activities		946,800	835,300
Change in cash and cash equivalents in the year		17,418	(87,915)
Cash and cash equivalents at 1 July 2023		1,081,200	1,169,115
Cash and cash equivalents at 30 June 2024	B	£1,098,618	£1,081,200

Notes to the cash flow statement for the year to 30 June 2024

A. Reconciliation of net income for the year to net cash used in operating activities

	2024 £	2023 £
Net expenditure for the year (as per the Statement of Financial Activities)	(32,272)	(477,810)
Adjustments for		
Depreciation charge	162,033	162,486
(Gains)/Losses on investments	(799,638)	(122,066)
Investment income and interest receivable	(342,156)	(342,120)
Surplus on disposal of fixed assets	(11,317)	(4,199)
Decrease/(Increase) in debtors	146,064	(34,801)
(Decrease) in creditors	(52,096)	(104,705)
Net cash used in operating activities	£(929,382)	£(923,215)

B. Analysis of cash and cash equivalents

Cash at bank and in hand	1,098,618	1,081,200
Total cash and cash equivalents	£1,098,618	£1,081,200

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

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

Basis of preparation

These accounts have been prepared for the year to 30 June 2024 with comparative information given for the year to 30 June 2023.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating legacies receivable;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge; and
- ◆ determining the amounts to be designated for specific purposes including estimating the Sisters' retirement fund, created in order to provide for the continuing care of the members of the Congregation.
- ◆ estimating the income and expenditure flows and financial position of the charity for the purposes of assessing going concern.

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.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 June 2025, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

Expenditure recognition

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

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

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

The provision of a multi-year grant is recognised where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable. Such grants are recognised at their discounted present value where the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

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

All expenditure on support and governance has been attributed directly to the charitable activity of supporting members of the Congregation as, in the opinion of the trustees, any amounts in respect to provision of grants and donations and the operation of the Heritage Centre would be minimal.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

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 on bank deposits and other income 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.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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 been transferred to the charity.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Freehold land and buildings

Freehold land and buildings purchased on or prior to 1 January 1998 are included in the accounts at a valuation determined by the trustees as at that date with professional assistance, based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these properties was deemed its cost. Land and buildings purchased on or after 1 January 1998 are shown on the balance sheet at cost.

Land and buildings comprise:

- ◇ Non-specialised land and buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and 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.
- ◇ Specialised buildings comprise the Congregation's the convent situated at Westcliffe, where elderly and infirm sisters are cared for, and the Heritage Centre at Nottingham. Depreciation is provided at the following rates per annum based on cost in order to write off each asset over their useful economic life:
 - Buildings 2% per annum
 - Improvements 6.67% per annum.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

Heritage Centre fixtures and fittings

Expenditure on the purchase and replacement of fixtures and fittings for the Heritage Centre is capitalised and depreciated between 4% and 20% per annum depending on the nature of the assets, on a straight line basis in order to write off the cost of each asset over its estimated useful life.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each asset over its 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 is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2024

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets other than those funded from restricted funds, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise assets and monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Services provided by members of the Congregation

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

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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 INCOME FROM: DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Sisters' salaries and pensions donated under Gift Aid or Deed of Covenant	166,441	-	166,441	173,178	-	173,178
Legacies	1,457	5,160	6,617	5,200	30,000	35,200
Donations	885	1,307	2,192	1,656	1,080	2,736
	<u>£168,783</u>	<u>£6,467</u>	<u>£175,250</u>	<u>£180,034</u>	<u>£31,080</u>	<u>£211,114</u>

2 INCOME FROM: INVESTMENTS AND BANK DEPOSITS

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Income from listed investments	324,680	-	324,680	333,557	-	333,557
Bank interest	5,034	12,442	17,476	3,010	5,553	8,563
	<u>£329,714</u>	<u>£12,442</u>	<u>£342,156</u>	<u>£336,567</u>	<u>£5,553</u>	<u>£342,120</u>

3 SURPLUS ON DISPOSAL OF TANGIBLE FIXED ASSETS

	Unrestricted funds			Unrestricted funds		
	Proceeds (net) Funds £	Net Book Value Funds £	Total 2024 £	Proceeds (net) Funds £	Net Book Value Funds £	Total 2023 £
Gain on disposal of properties	120,334	(113,015)	7,319	-	-	-
Gain on disposal of motor vehicle	4,000	(2)	3,998	4,200	(1)	4,199
	<u>£124,334</u>	<u>£(113,017)</u>	<u>£11,317</u>	<u>£4,200</u>	<u>£(1)</u>	<u>£4,199</u>

4 EXPENDITURE ON: SUPPORT OF MEMBERS OF THE CONGREGATION AND THEIR MINISTRY

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Premises and equipment costs	85,289	-	85,289	46,195	-	46,195
Sisters' living and ministry expenses	682,168	-	682,168	595,093	-	595,093
Other support costs	109,447	-	109,447	162,738	-	162,738
Governance costs (note 7)	13,110	-	13,110	12,000	-	12,000
	<u>£890,014</u>	<u>£-</u>	<u>£890,014</u>	<u>£816,025</u>	<u>£-</u>	<u>£816,025</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2024

5 EXPENDITURE ON: DONATIONS AND GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
The Palliative Care Centre in Korce, Albania	-	96,945	96,945	18,968
Contribution to the Generalate	63,050	-	63,050	63,050
Merseyside Counselling	40,000	-	40,000	-
Little Company of Mary Generalate				
Emergency	12,500	-	12,500	12,500
CAFOD	10,000	-	10,000	10,000
Jesuit Refugee Service	10,000	-	10,000	-
RLSS - Donation to Common Fund	1,000	-	1,000	2,000
Famullia Church Albania	1,000	-	1,000	-
K Wilkinson - Donation to support masters	5,000	-	5,000	-
Marriage Care	1,000	-	1,000	-
St Barnabas Cathedral	5,000	-	5,000	5,000
The Passage	5,000	-	5,000	5,000
Emmaus House	5,000	-	5,000	5,000
Mary's Meals	5,000	-	5,000	5,000
Shooting Star Children's Hospice	2,000	-	2,000	2,000
Cardinal Hume Centre	5,000	-	5,000	5,000
Catholic Children's Society	2,000	-	2,000	2,000
Emmanuel House	5,000	-	5,000	5,000
Aid to the Church in Need	3,000	-	3,000	3,000
Catholic Church, Albania	2,000	-	2,000	2,000
Good Shepherd Building Fund	1,000	-	1,000	2,000
British Heart Foundation	-	-	-	5,000
The Destitution Project (Bolton)	-	-	-	5,000
Hayward House	-	-	-	1,000
Payments of less than £1,000 each	2,000	-	2,000	2,000
Total	<u>£185,550</u>	<u>£ 96,945</u>	<u>£282,495</u>	<u>£160,518</u>
Prior Year				
	Unrestricted Funds £	Restricted Funds £	Total 2023 £	
Total	<u>£141,550</u>	<u>£18,968</u>	<u>£160,518</u>	

No donations were paid to individuals in the year to 30 June 2024 (30 June 2023: none).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2024

6 EXPENDITURE ON: HERITAGE CENTRE

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Heritage Centre operating expenses	-	112,692	112,692	22	89,811	89,833
Depreciation	-	75,432	75,432	-	90,933	90,933
	<u>£-</u>	<u>£188,124</u>	<u>£188,124</u>	<u>£22</u>	<u>£180,744</u>	<u>£180,766</u>

7 GOVERNANCE COSTS

	Total 2024 £	Total 2023 £
Auditor's remuneration (including VAT):		
- Current year	12,750	12,000
- Prior year	360	-
	<u>£ 13,110</u>	<u>£12,000</u>

8 NET MOVEMENT IN FUNDS FOR THE YEAR

	Total 2024 £	Total 2023 £
This is stated after charging/(crediting):		
Staff costs (note 9)	493,207	415,488
Auditor's remuneration (including VAT):		
- Statutory audit fees		
- Current year	12,750	12,000
- Prior year	360	-
Depreciation	162,033	162,486
	<u> </u>	<u> </u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2024

9 STAFF COSTS

	Total 2024 £	Total 2023 £
Staff costs during the year were as follows:		
Wages and salaries	409,892	357,884
Social security costs	26,772	21,165
Other pension costs	18,572	12,240
	<hr/>	<hr/>
	455,236	391,289
Agency staff	37,971	24,199
	<hr/>	<hr/>
	£493,207	£415,488
	<hr/> <hr/>	<hr/> <hr/>

No employees earned £60,000 per annum or more (excluding employer's pension contributions but including benefits) during the year (2023 – none).

The average number of employees, analysed by function, was:

	2024 No.	2023 No.
Support of members of the Congregation and their ministry	17.7	17.6
Heritage Centre	2.0	2.0
	<hr/>	<hr/>
	19.7	19.6
	<hr/> <hr/>	<hr/> <hr/>

10 KEY MANAGEMENT, TRUSTEES' EXPENSES AND REMUNERATION AND TRANSACTIONS WITH TRUSTEES

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

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

As members of the Congregation, none of the trustees have resources of their own. 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 £38,190 (2023: £38,728).

11 TAXATION

The Little Company of Mary Sisters England CIO is a Charitable Incorporated Organisation 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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2024

12 TANGIBLE FIXED ASSETS

	Land and Buildings		Heritage Centre and furniture	Furniture, Fittings and Equipment	Motor vehicles	TOTAL
	Non- specialised £	Specialised £	£	£	£	£
Cost or valuation						
At 1 July 2023	1,640,270	3,320,620	1,261,037	99,203	51,900	6,373,030
Additions	-	-	-	4,522	15,630	20,152
Disposals	(113,015)	-	-	-	(17,650)	(130,665)
30 June 2024	<u>1,527,255</u>	<u>3,320,620</u>	<u>1,261,037</u>	<u>103,725</u>	<u>49,880</u>	<u>6,262,517</u>
Depreciation						
At 1 July 2023	-	1,142,911	754,171	96,381	51,897	2,045,360
Charge for the year	-	110,182	45,795	2,148	3,908	162,033
Eliminated on disposal	-	-	-	-	(17,648)	(17,648)
30 June 2024	<u>-</u>	<u>1,253,093</u>	<u>799,966</u>	<u>98,529</u>	<u>38,157</u>	<u>2,189,745</u>
Net book value						
30 June 2024	<u>£1,527,255</u>	<u>£2,067,527</u>	<u>£461,071</u>	<u>£5,196</u>	<u>£11,723</u>	<u>£4,072,772</u>
30 June 2023	<u>£1,640,270</u>	<u>£2,177,709</u>	<u>£506,866</u>	<u>£2,822</u>	<u>£3</u>	<u>£4,327,670</u>

As permitted under FRS 102, the charity has opted to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings owned at 31 December 1997 is based on trustees' valuation made, with professional assistance, as at that date on the basis of replacement value for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost. Additions in subsequent years are stated at cost. Other tangible fixed assets are stated at cost.

Non-specialised land and buildings included two properties (2023: three) held on a long lease of 999 years which commenced on 29 September 1968 and one property held on a long lease of 125 years which commenced on 1 January 2004. The net book value of these properties in the balance sheet at 30 June 2024 was £702,087 (2023: £815,093). All other land and buildings, both non-specialised and specialised, were freehold.

The historical cost of the freehold land and buildings included above at a valuation cannot be obtained without significant time and expense researching past records. The trustees are of the opinion that such information would not add to the understanding of the accounts.

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, are not justified in terms of the benefit to the users of the accounts.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2024

13 LISTED INVESTMENTS

	Total 2024 £	Total 2023 £
Listed investments		
Market value at 30 June 2023	10,634,917	11,012,851
Additions at cost	-	10,538,294
Disposals at book value (see below)	(522,515)	(10,826,923)
Net unrealised investment gains/(losses)	822,153	(89,305)
Market value at 30 June 2024	<u>£10,934,555</u>	<u>£10,634,917</u>
Cost of assets at year-end	<u>£10,020,527</u>	<u>£10,538,294</u>
		=
	Total 2024 £	Total 2023 £
Disposals at book value included above are made up of the following:		
Proceeds	500,000	11,038,294
Losses/(gains) on disposal	22,515	(211,371)
	<u>£522,515</u>	<u>£10,826,923</u>
Listed investments held comprised the following:		
	Total 2024 £	Total 2023 £
CAIF Catholic Investment Income Fund	<u>£10,934,555</u>	<u>£10,634,917</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2024

14 DEBTORS

	Total 2024 £	Total 2023 £
Investment income and interest receivable	77,689	78,151
Prepayments	17,294	31,525
Legacies receivable (note 1)	-	130,000
Other debtors	8,167	10,000
	<u>£103,150</u>	<u>£249,676</u>

15 CREDITORS – Amounts falling due within one year

	Total 2024 £	Total 2023 £
Monies administered on behalf of individual members of the Congregation	20,140	13,477
Donations	59,970	56,846
Sundry creditors	8,975	9,906
Accruals and deferred income	20,250	21,232
	<u>£109,335</u>	<u>£101,461</u>

16 CREDITORS – Amounts falling due after one year

	Total 2024 £	Total 2023 £
Donations payable	<u>£-</u>	<u>£59,970</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2024

17 RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following assets and unexpended balances of donations and grants held on trust to be applied for specific purposes:

	Albania Fund £	Heritage Centre Fund £	Total £
At 1 July 2023	134,839	2,520,077	2,654,916
Income	-	18,909	18,909
Expenditure	(96,945)	(188,124)	(285,069)
At 30 June 2024	<u>£37,894</u>	<u>£2,350,862</u>	<u>£2,388,756</u>

Prior Year

	Albania Fund £	Heritage Centre Fund £	Total £
At 1 July 2022	123,727	2,694,268	2,817,995
Income	30,080	6,553	36,633
Expenditure	(18,968)	(180,744)	(199,712)
At 30 June 2023	<u>£134,839</u>	<u>£2,520,077</u>	<u>£2,654,916</u>

Albania Fund

This fund comprises funds raised specifically towards the Congregation's mission in Albania.

Heritage Centre fund

This fund was established in 2006 from a donation from the Little Company of Mary Generalate in order to establish a Heritage Centre in Nottingham. In 2009, donations amounting to £2,695,600 were received from the Congregation's Provinces/Regions in Australia, Ireland, Korea, New Zealand, Southern Africa and United States of America to help finance the development of the Heritage Centre.

This Heritage Centre was officially opened on 10 February 2010 and is used to present artefacts and memorabilia relating to the foundress of the Little Company of Mary, Venerable Mary Potter.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2024

18 DESIGNATED FUND

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	Sisters' Retirement Fund £	Congregation Giving Fund £	Total £
At 1 July 2023	4,700,000	2,147,462	6,847,462
Utilised / released	-	(185,550)	(185,550)
Designated	-	-	-
At 30 June 2024	<u>£4,700,000</u>	<u>£1,961,912</u>	<u>£6,661,912</u>

	Sisters' Retirement Fund £	Congregation Giving Fund £	Total £
At 1 July 2022	6,400,000	1,289,012	7,689,012
Utilised / released	(1,700,000)	(141,550)	(1,841,550)
Designated	-	1,000,000	1,000,000
At 30 June 2023	<u>£4,700,000</u>	<u>£2,147,462</u>	<u>£6,847,462</u>

The sisters' retirement fund consists of monies which the trustees have set aside in order to provide for the sisters in their retirement. The fund value has been calculated using actuarial principles.

The Congregation giving fund consists of monies set aside by the trustees, the investment income on which is to be applied toward future grants and donations.

19 TANGIBLE FIXED ASSETS FUND

	Total 2024 £	Total 2023 £
At 1 July 2023	2,739,054	2,795,953
Net movements in year	(179,466)	(56,899)
At 30 June 2024	<u>£2,559,588</u>	<u>£2,739,054</u>

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2024

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 June 2024 are represented by:

	General funds	Tangible Fixed Assets funds	Designated funds	Restricted funds	Total 2024
	£	£	£	£	£
Tangible fixed assets	-	2,559,588	-	1,513,184	4,072,772
Investments	4,272,643	-	6,661,912	-	10,934,555
Net current assets	216,861	-	-	875,572	1,092,433
Creditors due after one year	-	-	-	-	-
Total net assets	£4,489,504	£2,559,588	£6,661,912	£2,388,756	£16,099,760

Fund balances at 30 June 2023 are represented by:

	General funds	Tangible Fixed Assets funds	Designated funds	Restricted funds	Total 2023
	£	£	£	£	£
Tangible fixed assets	-	2,739,054	-	1,588,616	4,327,670
Investments	3,787,455	-	6,847,462	-	10,634,917
Net current assets	163,115	-	-	1,066,300	1,229,415
Creditors due after one year	(59,970)	-	-	-	(59,970)
Total net assets	£3,890,600	£2,739,054	£6,847,462	£2,654,916	£16,132,032

The total unrealised gains as at 30 June 2024 constitute movements on revaluations of investments are as follows:

	Total 2024	Total 2023
	£	£
Unrealised gains/(losses) on investments	£914,028	£96,623
Reconciliation of movements in unrealised gains/(losses)		
Unrealised gains at 1 July 2023	96,623	(181,202)
Less: in respect of disposals in the year	(4,748)	367,130
Net (losses)/gains arising on revaluation in the year	822,153	(89,305)
Unrealised gains/(losses) at 30 June 2024	£914,028	£96,623

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2024

21 ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Little Company of Mary due to the Leader LCM England, by virtue of her office, being ex-officio the sole member of the CIO.

22 LIABILITY OF THE MEMBER TO CONTRIBUTE TO THE ASSETS OF THE CIO IF IT IS WOUND UP

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.

23 POST BALANCE SHEET EVENTS

A non-specialised freehold Property with a net book value of £342k at 30 June 2024 was sold for £300k after the year end.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

England & Wales - Charity number 1186617

Accounts

**LITTLE COMPANY OF MARY SISTERS
ENGLAND CIO**

(Registered Charity Number 1186617)

TRUSTEES' REPORT AND ACCOUNTS

30 JUNE 2023

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR ENDED 30 JUNE 2023

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LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR ENDED 30 JUNE 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Sister Jeannette Connell Sister Anita MacDonald Sister Margaret Service
Leader LCM England	Sister Jeannette Connell
Treasurer	Mrs E Frost
Principal Office	Administrative Office 93 Gunnersbury Avenue Ealing London W5 4LR
Governing Instrument	CIO Association registered 27 November 2019
Charity Registration Number (England and Wales)	1186617
Accountant	David Clark FCA 1 st Floor Church House 61 College Road Bromley BR1 3QG
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal Bankers	The Royal Bank of Scotland plc PO Box 412 2/63 Threadneedle Street London E14 5HP
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The trustees present their report together with the accounts of the Little Company of Mary Sisters England CIO, a Charitable Incorporated Organisation (CIO) (the “charity” or the “CIO”) for the year to 30 June 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 24 of the attached accounts and comply with the charity’s constitution, the Charities Act 2011 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).

INTRODUCTION

The Little Company of Mary (the Congregation) is an international Catholic apostolic religious congregation of women founded in Nottingham by Mary Potter, an Englishwoman, in 1877. The Congregation is divided into a number of individual provinces and regions. The general administration is located in London.



The accounts accompanying this report are the accounts of the CIO through which the assets of the Congregation in the United Kingdom have been administered since 1 July 2021.

MISSION

The Little Company of Mary Sisters England CIO enables the sisters of the Congregation to carry out their principal ministry of caring for the suffering, the sick and dying. The original inspiration came to Mary Potter after a serious illness during which time she found she could not pray and during which she saw the need for a group of women in the Church who would minister to and pray for the sick and dying, especially in their hour of need.

The charity aims to support the religious and other charitable works carried on by members of the Congregation and to care for those members throughout their lives with the Congregation. These ministries of the sisters of the Congregation, all of which benefit numerous members of the general public, fall into the following main areas:

◆ **Social and pastoral work**

Fewer members of the Congregation are involved in ministry because of age and fragility. Those who are able, continue to offer pastoral support in parishes.

◆ **Overseas missionary work**

The charity continues to support a Palliative Care Team working in healthcare, social and pastoral fields in Albania.

◆ **Heritage Centre, Nottingham**

The International Congregation has established a Heritage Centre in Nottingham to house the artefacts and memorabilia relating to the Congregation’s Foundress, Mary Potter, and to promote the Charism and Spirituality of the Little Company of Mary. This ministry is on behalf of the international Congregation.

◆ **Care of members of the Congregation**

By caring for members of the Congregation, the charity ensures that the sisters’ ministry continues for as long as possible.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

GOVERNANCE, STRUCTURE AND MANAGEMENT

Background

The CIO is governed by a constitution dated 14 November 2019 and is registered with the Charity Commission in England and Wales, (Charity Registration No. 1186617).

In 2022 and following consultation with the Sisters in the Region of the Maternal Heart and with Congregational Leadership a decision was made to transfer from Region status to a Community with direct relationship with the Congregational Leader. This decision was taken to comply with Canon Law requirements.

We are now the Maternal Heart Community from 1 January 2023. Sister Jeannette Connell is the Leader LCM England.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office during the year to 30 June 2023 are given below:

Trustees

Sister Jeannette Connell – Leader LCM England

Sister Jeannette entered the Congregation of the Little Company of Mary in 1969, having completed her general nursing and midwifery training. She obtained a diploma in Clinical Nurse Education in 1981, completed a management course in 1987, and obtained a diploma in Palliative Care in 1988. Sister Jeannette has worked as a Registered Nurse in the National Health Service and in hospitals sponsored by the English Province and was Matron of the Convent Hospital in Nottingham for 10 years until 1998. She served as a Provincial Councillor and trustee from 1985 to 1990 and 1995 to 2000. She was Provincial Leader of the English Province from 2000 to 2005 and served as a trustee during that period. She was elected as Congregational Leader in 2005 for a period of 6 years, completing the term in 2011. In July 2011, she was appointed as Provincial Leader for a period of five years and was re-appointed as Province Leader for a further five years from July 2016 and currently serves as a trustee. On 1 January 2023 she was appointed Leader LCM England.

Sister Anita MacDonald – Trustee

Sister Anita joined the Little Company of Mary in 1963. She qualified in General, Psychiatry and District Nursing and worked in England. She was Formation Directress for 10 years in the UK Province and in 1993 with two other sisters founded a mission to assist the sick and dying in Albania which is now managed by Albanian doctors and nurses. Sister Anita has served as Province Councillor and was elected as Congregational Councillor from 1999 to 2005. She is currently a member of the Heritage Centre community and is involved in the ministry of Spiritual Direction and is local facilitator for the Little Company of Mary Associates. She serves as a trustee.

Sister Margaret Service - Trustee

Sister Margaret joined the Little Company of Mary in England in 1961 and qualified in 1969 as a State Registered Nurse. She undertook further nursing studies at the Royal College of Nursing and qualified as a Clinical Nurse Teacher in 1974. She worked and taught within NHS Hospitals for ten years until a further appointment as Matron of St Raphael's Hospital Edinburgh, a small general hospital run by the Little Company of Mary. During this time, she did a Nursing Officers Management course at Queen Margaret College. In 1986 she obtained a post graduate diploma in Pastoral Theology from Heythrop College, University of London, thereafter, joining the Prison Service as a full time Chaplain. She served as a Province Councillor and trustee from 2000 to 2005. In 2006 she returned to Edinburgh as a local leader for a small group of older Little Company of Mary sisters, her role being mainly administration and pastoral care. In 2011 she was again appointed as a Province Councillor and trustee and currently lives in Nottingham having joined the team at the Little Company of Mary Heritage Centre. Sister Margaret serves as a trustee.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions 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 and the applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They regularly meet /consult to review developments with regard to the charity or their activities and make any important decisions. When necessary, the trustees seek advice and support from professional advisers including property consultants, investments 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 Congregation or senior staff.

Key management personnel

The trustees consider that the key management of the charity consist of themselves and in particular the Leader of LCM England to whom much of the running of the day-to-day running operation devolves. As religious sisters, under a vow of poverty, the trustees do not receive remuneration.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the charity currently faces in Britain. They have reviewed the measures already in place, or needing to be put in place, to deal with them. The trustees have identified five main areas where risks may occur:

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

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

Operational looks at the risks inherent in the charity's activities including the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

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

Reputational looks at possible damage to the Congregation's reputation and/or charity's reputation.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations.

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

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

- ◆ The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid Compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- ◆ Operationally the charity works with vulnerable adults, including older people, and occasionally with children. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serve. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA) and are a member of the Religious Life Safeguarding Service (RLSS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers are kept informed about good practice in work and ministry.
- ◆ The charity donates significant sums in support of the wider Congregation and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Congregation. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and are familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs.
- ◆ The charity runs a care facility for its own sisters at Westcliff-on-Sea. As with any such operation, there are continual regulatory changes which must be complied with and financial pressures such as the fact that costs tend to rise with need to provide staff cover for 24 hours. The trustees consult with Healthcare Management Trust, a charity specialising in the provision of hospital and elderly care with a Christian ethos.

PUBLIC BENEFIT

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

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

As stated above under "Mission", the activities of the charity during the year can be divided into four principal areas: caring for members of the Congregation, the social and pastoral work of the sisters, the support of overseas missionary work and the operation of the Mary Potter Heritage Centre. Each of these is considered in turn below:

Care of members of the Congregation

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation is increasing as existing members grow older. There are no new members in the English Region.

The age of the sisters ranges from 77 to 95 years. The average age is 86 years. There were 16 sisters in the Region at the beginning of the financial year. During the year 3 Sisters died. The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted their lives to prayer and the care of the sick, the elderly, poor and marginalised in society. As the age profile of the Congregation increases so too does the need to provide increasingly expensive care for the sisters.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Care of members of the Congregation (continued)

Those sisters requiring additional care live in Westcliff on Sea. They benefit from living in their own religious community setting, where they can continue their own individual and community prayer for the needs of the world and especially for the sick and dying. A Care Manager and staff support and care for the sisters over the 24-hour period. The trustees know that the number requiring care will increase. Therefore, the trustees of the Little Company of Mary Sisters England CIO give careful consideration to the impact of this on the work of individual members of the Congregation, the property requirements of the Congregation and the financial implications. In this regard, the aims of the trustees of the CIO over the forthcoming years include:

- ◆ Ensuring all members of the Congregation receive the high level of care they require to provide them with the quality of life they should rightly expect;
- ◆ Reviewing properties used as community houses and assessing their suitability as homes for the elderly and frail. Those identified as being unsuitable will be adapted or, if this proves impossible, sold and replaced with properties more appropriate for the elderly;
- ◆ Enabling all members of the Congregation to continue with their individual ministries for as long as possible.

Social and pastoral work

The following are examples of the social and pastoral work undertaken by individual sisters:

- ◆ Parish visiting and pastoral support.
- ◆ Responding to requests for prayer from individuals and praying with the housebound.
- ◆ Two Sisters are Eucharistic ministers serving parishes, individuals at home and care homes.
- ◆ One Sister volunteers at a local NHS hospital 2 days per week.
- ◆ Spiritual direction.
- ◆ Ministering in the Mary Potter Heritage Centre for the Congregation, facilitating individuals and groups from parishes, schools and other interested parties in Nottingham and surrounding areas. International visitors from LCM facilities also visit.
- ◆ Planning and facilitating heritage pilgrimages for local and international groups.
- ◆ One sister serves as a trustee on a grant giving charity in Nottingham.
- ◆ Developing the associate members of the Little Company of Mary.
- ◆ The sisters also provide accompaniment to lay people who wish to embrace our charism and spirituality.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Social and pastoral work (continued)

The aims of the trustees in this area include:

- ◆ Enabling members of the Congregation to carry out meaningful social and pastoral work within the community after assessing their skills and the needs of the local area;
- ◆ Encouraging and motivating members to support and assist the poor, elderly and marginalised;
- ◆ Wherever possible ensuring sisters are remunerated for such work by way of stipend. Such income is donated to the charity and thereby ensures that the work of the sisters and charity may continue and develop.

Overseas missionary work

Mary Potter Palliative Care Centre, Korce, Albania

In 2003 the Little Company of Mary handed over responsibility for the palliative care service in Korce to the local staff. The Little Company of Mary left Albania in June 2004. The charity continues to support the mission in Korce, Albania. The staff continue to develop their care of the dying in Korce and in many other areas in Albania. Their work to care for the dying and to offer symptom control to cancer sufferers increases year on year. Most of the palliative care service takes place in patients' own homes. The clinic continues to be viewed as a 'place of excellence' by the Albania authorities. They also have international recognition from other palliative care organisations and received Oncologists from the USA during the year.

The clinic celebrated 30 years of service in August 2023.

The team maintains the Congregation's ethos and values both in its work in the clinic and in the community. The team members continue to view education of others in palliative care to be of the utmost importance. To increase the knowledge of other healthcare professionals strengthens cooperation and therefore enhances the care that patients receive and assists in earlier diagnosis.

The staff offer training to family members, especially in end-of-life care. Day care is also provided for cancer patients. This provision is appreciated and is modelling the development of palliative care in Albania. The staff are mindful of the responsibility for their own education and development and attend workshops in other parts of Europe.

The charity is committed to the provision of funding to support the palliative care ministry in Albania and we continue to send funds as required.

The clinic is well maintained, and the staff are aware of the need for good stewardship of the building.

In summary, the palliative care team consists of 17 paid members of staff consisting of administrative, clinical, maintenance and support staff.

The trustees receive a quarterly financial and narrative report from the Manager, showing that the funds and equipment provided by the charity are used for the purposes intended.

We continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as supporting the growth of the mission in Albania.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Overseas missionary work (continued)

Heritage Centre, Nottingham

The English Region has been entrusted with the artefacts and memorabilia relating to the Congregation's Foundress, Mary Potter, and its heritage. This ministry is on behalf of the international Congregation. The Centre re-opened in July 2022 after the Covid pandemic.

Volunteers

Throughout the year, the members of the Congregation give their time to assist the poor and marginalised and those in need. We receive one stipend for a parish Sister which contributes to the overall achievement of the charity's objectives. The other sisters receive no financial reward for their ministry. While all the sisters contribute to the mission of the Congregation sisters are specifically involved in the ministries listed opposite. Some sisters are involved in one or more of the ministries listed. In addition, members are involved in administering the work of the Congregation and charity - without their contribution, the charity would not be able to function as effectively or fully as it does. Details of the areas in which members gave their time are shown in the table below. All sisters are supportive of the people in local parishes. Two Sisters are involved in the ministries tabled.

Area	Number of sisters involved
Parish work and Eucharistic ministry	1
Volunteer at local hospital	1
Spiritual direction	1
Heritage Centre	1 full time

Protection of Children and Vulnerable Adults

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. All sisters who are in any kind of ministry in Great Britain have to obtain clearance from the Disclosure and Barring Service (DBS). Employees and 4 volunteers have DBS Certificates. We are now fully aligned with the Religious Life Safeguarding Service (RLSS) and the Catholic Safeguarding Standards Agency (CSSA). During the year Trustees have undertaken safeguarding training with RLSS.

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Congregation as appropriate. In the main, the charity supports works of the Congregation in overseas countries especially Albania, Zimbabwe and Manila.

Whilst the trustees give occasional support to United Kingdom organisations whose work is within the objects of the charity, it does not regard itself as a grant making entity and applications for grants and donations are not invited. Donations, however, are made to much needed services for the poorest and marginalised people in society in line with Mary Potter's vision of working with those in desperate need.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Investment policy

The charity's investments are managed by CCLA. All investments have been moved into the Catholic Investment Fund held to align investments with the catholic ethos. 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 manager's view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised 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 Catholic Church.

The performance of the portfolio and the investment strategy are reviewed by the trustees who meet with the investment managers every six months.

FINANCIAL REVIEW AND RESERVES POLICY

Results for the year

A summary of the results of the year to 30 June 2023 can be found on page 17 of this report and accounts.

Total income for the year to 30 June 2023 was £557,433 (2022: £636,463). Total income included investment income of £342,120 (2022: £339,523) and voluntary income of £211,114 (2022: £296,940). This latter category includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid and also included £30,000 of legacy income receivable (2022: £100,000).

Expenditure for the year to 30 June 2023 amounted to £1,157,309 (2022: £1,130,718). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

Expenditure connected with the Heritage Centre was £180,766 (2022: £156,056) including depreciation of £90,933 (2022: £105,826) on the Heritage Centre property and fixtures and fittings. Donations and grants paid totalled £160,518 (2022: £300,159) which included a number of committed amounts to charitable projects.

Net expenditure, before investment gains (losses) for the year to 30 June 2023 was £599,876 (2022: £494,255).

There were investment gains of £122,066 (2022: losses of £898,159). The overall result was net expenditure of £477,810 (2022: net expenditure of £1,392,414).

Investment performance

As previously stated, the charity's investments are managed by CCLA. At 30 June 2023, the investments had a market value of £10,634,917 (2022: £11,012,851). Total funds of £500,000 were drawn down from the portfolio during the year.

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 12 to the attached accounts. During the year to 30 June 2023, the charity's investments achieved an annualised income yield of +4.21% (2022: 4.95%), and an annualised capital return of plus 1.11% (2021: minus 7.96%). Returns were marginally ahead of the averages quoted for the charity sector over the year and the trustees, therefore, are satisfied with investment performance.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

FINANCIAL REVIEW AND RESERVES POLICY (continued)

Reserves policy

The charity carries out a diverse range of activities and is responsible for the care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to up to four years' expenditure at any one time. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income and will allow the trustees to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

Balance sheet reserves stood at £16,132,032 (2022: £16,609,842).

The tangible fixed assets fund totalled £2,739,054 (2022: £2,795,953), comprising the tangible fixed assets used to support the work of the sisters, excluding those assets relating to the Heritage Centre which are financed from restricted funds.

£4,700,000 (2022: £6,400,000) has been set aside to provide for the sisters in their retirement, none of whom have resources of their own. The calculations, based on actuarial methods, indicated that this amount is needed to be set aside in order to provide for the sisters and for the increasingly expensive health and care costs which become inevitable as people grow older. A further £2,147,462 (2022: £1,289,012) has been set aside as a Congregation Giving Fund to be applied to future grants and donations.

Of the remaining funds, £2,654,916 (2022: £2,817,995) are restricted funds comprising funds held for the overseas mission in Albania of £134,839 (2022: £123,727) and £2,520,077 (2022: £2,694,268) in respect of the Heritage Centre Fund being the property purchased and refurbished for the Centre and other monies received specifically for its establishment.

Funds available to support the work of the sisters in the future, in particular the support of the Congregation's missionary and healthcare work, are shown as general funds on the balance sheet and amounted to £3,890,600 (2022: £3,306,882). This figure needs to be considered in the light of ongoing annual expenditure from unrestricted funds of approximately £1.2m (2022 - £1.1m), the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas and the fact that the charity is sustaining annual operating deficits. The trustees are of the opinion that the free reserves are adequate but not excessive and in line with the above policy.

FUTURE PLANS

In the CIO, we will continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as appropriate Leadership structures for the future.

The trustees do not anticipate any significant change to activities over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ To monitor the needs of the sisters as they grow older and, if necessary, adapt the charity's plans in respect of property needs and the provision of care to elderly members.
- ◆ To continue to care for the sisters and to enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible.
- ◆ To support the Congregation's work overseas and for the trustees to satisfy themselves that the funds are applied for their intended purpose.
- ◆ To consider setting aside further designated funds to earmark monies to be used to finance an enhanced grant-making programme.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

EMPLOYEES, VOLUNTEERS AND MEMBERS OF THE CONGREGATION

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

Signed on behalf of the trustees:

Jeannette Connell

Trustee

Approved by the trustees on: 9 January 2024

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO

Opinion

We have audited the accounts of the Little Company of Mary Sisters England CIO (the 'charity') for the year to 30 June 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 statement of trustees' responsibilities, 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 the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

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

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

- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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 as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street London
EC2V 6DL

9 January 2024

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2023

			As Restated				
	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total funds £	Unrestricted Funds £	Restricted Funds £	2022 Total funds £
INCOME FROM:							
Donations and legacies	1	180,034	31,080	211,114	196,690	100,250	296,940
Investments and bank deposits	2	336,567	5,553	342,120	339,222	301	339,523
Other							
. Surplus on disposal of tangible fixed assets		4,199	—	4,199	—	—	—
Total Income		520,800	36,633	557,433	535,912	100,551	636,463
EXPENDITURE ON:							
Charitable activities							
. Support of members of the Congregation and their ministry	3	816,025	—	816,025	674,503	—	674,503
. Donations	4	141,550	18,968	160,518	300,159	—	300,159
. Heritage Centre	5	22	180,744	180,766	11,057	144,999	156,056
Total Expenditure		957,597	199,712	1,157,309	985,719	144,999	1,130,718
Net expenditure before gains (losses) on investments	7	(436,797)	(163,079)	(599,876)	(449,807)	(44,448)	(494,255)
Other recognised gains (losses)							
Net gains (losses) on investments	12	122,066	—	122,066	(898,159)	—	(898,159)
Net expenditure and net movement in funds for the year		(314,731)	(163,079)	(477,810)	(1,347,966)	(44,448)	(1,392,414)
Reconciliation of funds:							
Total funds brought forward at 1 July 2022 – as previously stated		13,791,847	2,717,995	16,509,842	15,139,813	2,862,443	18,002,256
Prior year adjustment	1	—	100,000	100,000	—	—	—
Total funds brought forward at 1 July 2022 – as restated		13,791,847	2,817,995	16,609,842	15,139,813	2,862,443	18,002,256
Total funds carried forward at 30 June 2023		13,477,116	2,654,916	16,132,032	13,791,847	2,817,995	16,609,842

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023		As Restated 2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11		4,327,670		4,475,502
Investments	12		10,634,917		11,012,851
			<u>14,962,587</u>		<u>15,488,353</u>
CURRENT ASSETS					
Debtors	13	249,676		218,510	
Cash at bank & in hand		1,081,200		1,169,115	
		<u>1,330,876</u>		<u>1,387,625</u>	
CURRENT LIABILITIES					
CREDITORS: Amounts falling due within one year	14	(101,461)		(149,320)	
				<u>(149,320)</u>	
NET CURRENT ASSETS			<u>1,229,415</u>		<u>1,238,305</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,192,002</u>		<u>16,726,658</u>
CREDITORS: Amounts falling due after one year	15		(59,970)		(116,816)
NET ASSETS			<u><u>16,132,032</u></u>		<u><u>16,609,842</u></u>
REPRESENTED BY: FUNDS AND RESERVES					
Restricted funds	16		2,654,916		2,817,995
Unrestricted funds					
. Designated funds	17	6,847,462		7,689,012	
. Tangible fixed assets fund	18	2,739,054		2,795,953	
. General fund		3,890,600		3,306,882	
			<u>13,477,116</u>		<u>13,791,847</u>
			<u><u>16,132,032</u></u>		<u><u>16,609,842</u></u>

Approved by the trustees and signed on their behalf by:

Jeannette Connell

Trustee

Approved by the trustees on: 9 January 2024

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £	2022 £
Cash flows from Operating Activities			
Net cash used in operating activities	A	<u>(923,215)</u>	<u>(777,815)</u>
Cash flows from investing activities			
Investment income and interest received		345,755	341,464
Purchase of tangible fixed assets		(14,655)	(39,768)
Proceeds from disposal of tangible fixed assets		4,200	—
Purchase of investments		(10,538,294)	—
Proceeds from disposal of investments		11,038,294	—
Net cash generated by investing activities		<u>835,300</u>	<u>301,696</u>
Change in cash and cash equivalents in the year		(87,915)	(476,119)
Cash and cash equivalents at 1 July 2022		<u>1,169,115</u>	<u>1,645,234</u>
Cash and cash equivalents at 30 June 2023	B	<u><u>1,081,200</u></u>	<u><u>1,169,115</u></u>

Notes to the cash flow statement for the year to 30 June 2023

A. Reconciliation of net expenditure for the year to net cash used in operating activities

	2023 £	As Restated 2022 £
Net expenditure for the year as per the Statement of Financial Activities	(477,810)	(1,392,414)
Adjustments for		
Depreciation charge	162,486	187,779
(Gains) losses on investments	(122,066)	898,159
Investment income and interest receivable	(342,120)	(339,523)
Surplus on disposal of tangible fixed assets	(4,199)	—
Increase in debtors	(34,801)	(100,806)
Decrease in creditors	(104,705)	(31,010)
Net cash used in operating activities	<u><u>(923,215)</u></u>	<u><u>(777,815)</u></u>

B. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>1,081,200</u>	<u>1,169,115</u>
Total cash and cash equivalents	<u><u>1,081,200</u></u>	<u><u>1,169,115</u></u>

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2023

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

Basis of preparation

These accounts have been prepared for the year to 30 June 2023 with comparative information given for the year to 30 June 2022.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating legacies receivable;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge; and
- ◆ determining the amounts to be designated for specific purposes including estimating the Sisters' retirement fund, created in order to provide for the continuing care of the members of the Congregation.
- ◆ estimating the income and expenditure flows and financial position of the charity for the purposes of assessing going concern.

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.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 June 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2023

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 on bank deposits and other income 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.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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 been transferred to the charity.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2023

Expenditure recognition

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

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

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

The provision of a multi-year grant is recognised where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable. Such grants are recognised at their discounted present value where the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

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

All expenditure on support and governance has been attributed directly to the charitable activity of supporting members of the Congregation as, in the opinion of the trustees, any amounts in respect to provision of grants and donations and the operation of the Heritage Centre would be minimal.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2023

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Freehold land and buildings

Freehold land and buildings purchased on or prior to 1 January 1998 are included in the accounts at a valuation determined by the trustees as at that date with professional assistance, based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these properties was deemed its cost. Land and buildings purchased on or after 1 January 1998 are shown on the balance sheet at cost.

Land and buildings comprise:

- ◇ Non-specialised land and buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and 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.
- ◇ Specialised buildings comprise the Congregation's the convent situated at Westcliffe, where elderly and infirm sisters are cared for, and the Heritage Centre at Nottingham. Depreciation is provided at the following rates per annum based on cost in order to write off each asset over their useful economic life:
 - Buildings 2% per annum
 - Improvements 6.67% per annum.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each asset over its 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 is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2022

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets other than those funded from restricted funds, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise assets and monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Services provided by members of the Congregation

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

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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1. INCOME FROM: DONATIONS AND LEGACIES

				As Restated		
	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Sisters' salaries and pensions donated under Gift Aid or Deed of Covenant	173,178	—	173,178	194,862	—	194,862
Legacies	5,200	30,000	35,200	—	100,000	100,000
Donations	1,656	1,080	2,736	1,828	250	2,078
	180,034	31,080	211,114	196,690	100,250	296,940

A prior year adjustment has been made in these accounts to include a legacy of £100,000 that has subsequently been found to have met all income recognition criteria as at 30 June 2022. The legacy is restricted to work in Korce, Albania. This prior year adjustment reduced the net expenditure for the year to 30 June 2022 and increased the total and restricted funds brought forward at 1 July 2022 by £100,000. Debtors at 30 June 2022 increased by the same amount (note 13).

2. INCOME FROM: INVESTMENTS AND BANK DEPOSITS

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Income from listed investments	333,557	—	333,557	339,158	—	339,158
Bank interest	3,010	5,553	8,563	64	301	365
	336,567	5,553	342,120	339,222	301	339,523

3. EXPENDITURE ON: SUPPORT OF MEMBERS OF THE CONGREGATION AND THEIR MINISTRY

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Premises and equipment costs	46,194	—	46,194	18,627	—	18,627
Sisters' living and ministry expenses	595,093	—	595,093	541,081	—	541,081
Other support costs	162,738	—	162,738	103,095	—	103,095
Governance costs	12,000	—	12,000	11,700	—	11,700
	816,025	—	816,025	674,503	—	674,503

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

4. EXPENDITURE ON: DONATIONS AND GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
The Palliative Care Centre in Korce, Albania	—	18,968	18,968	6,326	—	6,326
Contribution to the Generalate of the Congregation Little Company of Mary	63,050	—	63,050	31,525	—	31,525
Generalate Emergency Mary Magdalen Foundation	12,500	—	12,500	12,500	—	12,500
St Barnabas Cathedral CAFOD	—	—	—	6,000	—	6,000
St Barnabas Cathedral CAFOD	5,000	—	5,000	5,000	—	5,000
CAFOD	10,000	—	10,000	10,000	—	10,000
RLSS - Donation to Common Fund	2,000	—	2,000	5,000	—	5,000
CCS Core Admin	—	—	—	187,708	—	187,708
Durham University	—	—	—	2,000	—	2,000
Korce Church, Albania	—	—	—	5,000	—	5,000
The Passage	5,000	—	5,000	5,000	—	5,000
Emmaus House	5,000	—	5,000	5,000	—	5,000
Mary's Meals	5,000	—	5,000	5,000	—	5,000
Shooting Star Children's Hospice	2,000	—	2,000	2,000	—	2,000
Cardinal Hume Centre	5,000	—	5,000	5,000	—	5,000
Catholic Children's Society	2,000	—	2,000	2,000	—	2,000
Emmanuel House	5,000	—	5,000	5,000	—	5,000
Aid to the Church in Need	3,000	—	3,000	3,000	—	3,000
Catholic Church, Albania	2,000	—	2,000	—	—	—
British Heart Foundation	5,000	—	5,000	—	—	—
Good Shepherd Building Fund	2,000	—	2,000	—	—	—
The Destitution Project (Bolton)	5,000	—	5,000	—	—	—
Hayward House	1,000	—	1,000	—	—	—
Payments of less than £1,000 each	2,000	—	2,000	2,100	—	2,100
	141,550	18,968	160,518	300,159	—	300,159

No donations were paid to individuals in the year to 30 June 2023 (30 June 2022: none).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

5. EXPENDITURE ON: HERITAGE CENTRE

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Heritage Centre operating expenses	22	89,811	89,833	11,057	39,173	50,230
Depreciation	—	90,933	90,933	—	105,826	105,826
	<u>22</u>	<u>180,744</u>	<u>180,7660</u>	<u>11,057</u>	<u>144,999</u>	<u>156,056</u>

6. GOVERNANCE COSTS

	Total 2023 £	Total 2022 £
Auditor's remuneration (including VAT):		
- Current year	12,000	12,000
- Prior year	—	(300)
	<u>12,000</u>	<u>11,700</u>

7. NET EXPENDITURE AND NET MOVEMENT IN FUNDS FOR THE YEAR

	Total 2023 £	Total 2022 £
This is stated after charging/(crediting):		
Staff costs (note 8)	415,488	337,879
Auditor's remuneration (including VAT):		
- Statutory audit fees		
- Current year	12,000	12,000
- Prior year	—	(300)
Depreciation	<u>162,486</u>	<u>187,779</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

8. STAFF COSTS

	Total 2023 £	Total 2022 £
Staff costs during the year were as follows:		
Wages and salaries	357,884	299,022
Social security costs	21,165	11,968
Other pension costs	12,240	10,627
	<hr/>	<hr/>
	391,289	321,617
Agency staff	24,199	16,262
	<hr/>	<hr/>
	<u>415,488</u>	<u>337,879</u>

No employees earned £60,000 per annum or more (excluding employer's pension contributions but including benefits) during the year (2022 – none).

The average number of employees, analysed by function, was:

	2023 No	2022 No
Support of members of the Congregation and their ministry	17.6	17.8
Heritage Centre	2.0	1.0
	<hr/>	<hr/>
	<u>19.6</u>	<u>18.8</u>

9. KEY MANAGEMENT, TRUSTEES' EXPENSES AND REMUNERATION AND TRANSACTIONS WITH TRUSTEES

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

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

As members of the Congregation, none of the trustees have resources of their own. 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 £38,728 (2022: £35,042).

10. TAXATION

The Little Company of Mary Sisters England CIO is a Charitable Incorporated Organisation 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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

11. TANGIBLE FIXED ASSETS

	Land and buildings		Heritage Centre fixtures and fittings £	Motor vehicles £	Office equipment and furniture £	Total £
	Non- specialised £	Specialised £				
Cost or valuation						
At 1 July 2022	1,640,270	3,307,530	1,261,037	59,400	97,638	6,365,875
Additions	—	13,090	—	—	1,565	14,655
Disposals	—	—	—	(7,500)	—	(7,500)
At 30 June 2023	<u>1,640,270</u>	<u>3,320,620</u>	<u>1,261,037</u>	<u>51,900</u>	<u>99,203</u>	<u>6,373,030</u>
Depreciation						
At 1 July 2022	—	1,042,347	692,875	59,396	95,755	1,890,373
Charge for the year	—	100,564	61,296	—	626	162,486
Disposals	—	—	—	(7,499)	—	(7,499)
At 30 June 2023	<u>—</u>	<u>1,142,911</u>	<u>754,171</u>	<u>51,897</u>	<u>96,381</u>	<u>2,045,360</u>
Net book value						
At 30 June 2023	<u>1,640,270</u>	<u>2,177,709</u>	<u>506,866</u>	<u>3</u>	<u>2,822</u>	<u>4,327,670</u>
At 30 June 2022	<u>1,640,270</u>	<u>2,265,183</u>	<u>568,162</u>	<u>4</u>	<u>1,883</u>	<u>4,475,502</u>

As permitted under FRS 102, the charity has opted to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings that was owned at 31 December 1997 is based on trustees' valuation made, with professional assistance, as at that date on the basis of replacement value for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost. Additions in subsequent years are stated at cost. Other tangible fixed assets are stated at cost.

Non-specialised land and buildings included one properties held on a long lease of 125 years which commenced on 29 September 1968, one property held on a long lease of 125 years which commenced on 1 June 1996, and one property on a long lease of 125 years which commenced on 1 January 2004. The net book value of these properties in the balance sheet at 30 June 2023 was £815,093. All other land and buildings, both non-specialised and specialised, were freehold.

The historical cost of the freehold land and buildings included above at a valuation cannot be obtained without significant time and expense researching past records. The trustees are of the opinion that such information would not add to the understanding of the accounts.

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, are not justified in terms of the benefit to the users of the accounts.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

12. INVESTMENTS

	Total 2023 £	Total 2022 £
Listed investments		
Market value at 1 July 2022	11,012,851	11,911,010
Additions at cost	10,538,294	—
Disposals at book value (see below)	(10,826,923)	—
Net unrealised investment losses	(89,305)	(898,159)
	<u>10,634,917</u>	<u>11,012,851</u>
 Market value at 30 June 2023	 <u>10,634,917</u>	 <u>11,012,851</u>
 Cost of assets at year-end	 <u>10,538,294</u>	 <u>11,194,053</u>
	 Total 2023 £	 Total 2022 £
Disposals at book value included above are made up of the following:		
Proceeds	11,038,294	—
Gains on disposal	(211,371)	—
	<u>10,826,923</u>	<u>—</u>
 Listed investments held comprised the following:		
	 Total 2023 £	 Total 2022 £
Catholic Investment Fund Founder Class Income Units	—	11,012,851
Catholic Investment Fund Class 1 Income Units	10,634,917	—
	<u>10,634,917</u>	<u>11,012,851</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

13. DEBTORS

	Total 2023 £	As Restated Total 2022 £
Investment income and interest receivable	78,151	81,786
Legacies receivable (note 1)	130,000	100,000
Prepayments	31,525	26,724
Other debtors	10,000	10,000
	<u>249,676</u>	<u>218,510</u>

14. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	Total 2023 £	Total 2022 £
Monies administered on behalf of individual members of the Congregation	13,477	13,677
Donations	56,846	93,892
Sundry creditors	9,906	3,317
Accruals and deferred income	21,232	23,849
Other creditors	—	14,585
	<u>101,461</u>	<u>149,320</u>

Other creditors at 30 June 2022 represented monies held within the charity's own bank accounts on behalf of the Palliative Care Centre in Korçe, Albania.

15. CREDITORS – AMOUNTS FALLING DUE AFTER ONE YEAR

	Total 2023 £	Total 2022 £
Donations payable	<u>59,970</u>	<u>116,816</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

16. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following assets and unexpended balances of donations and grants held on trust to be applied for specific purposes:

	Albania Fund £	Heritage Centre Fund £	Total £
At 1 July 2022	123,727	2,694,268	2,817,995
Income	30,080	6,553	36,633
Expenditure	(18,968)	(180,744)	(199,712)
At 30 June 2023	<u>134,839</u>	<u>2,520,077</u>	<u>2,654,916</u>

	Albania Fund £	As Restated Heritage Centre Fund £	Total £
At 1 July 2021	23,517	2,838,926	2,862,443,
Income	100,210	341	100,551
Expenditure	—	(144,999)	(144,999)
At 30 June 2022	<u>123,727</u>	<u>2,694,268</u>	<u>2,817,995</u>

Albania Fund

This fund comprises funds raised specifically towards the Congregation's mission in Albania.

Heritage Centre fund

This fund was established in 2006 from a donation from the Little Company of Mary Generalate in order to establish a Heritage Centre in Nottingham. In 2009, donations amounting to £2,695,600 were received from the Congregation's Provinces/Regions in Australia, Ireland, Korea, New Zealand, Southern Africa and United States of America to help finance the development of the Heritage Centre.

This Heritage Centre was officially opened on 10 February 2010 and is used to present artefacts and memorabilia relating to the foundress of the Little Company of Mary, Venerable Mary Potter.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

17. DESIGNATED FUNDS

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	Sisters' Retirement Fund £	Congregation Giving Fund £	Total £
At 1 July 2022	6,400,000	1,289,012	7,689,012
Utilised / released	(1,700,000)	(141,550)	(1,841,550)
Designated		1,000,000	1,000,000
	<u>4,700,000</u>	<u>2,147,462</u>	<u>6,847,462</u>
At 30 June 2023	<u>4,700,000</u>	<u>2,147,462</u>	<u>6,847,462</u>
	Sisters' Retirement Fund £	Congregation Giving Fund £	Total £
At 1 July 2021	8,000,000	1,589,171	9,589,171
Utilised	(1,600,000)	(300,159)	(1,900,159)
At 30 June 2022	<u>6,400,000</u>	<u>1,289,012</u>	<u>7,689,012</u>

The sisters' retirement fund consists of monies which the trustees have set aside in order to provide for the sisters in their retirement. The fund value has been calculated using actuarial principles.

The Congregation giving fund consists of monies set aside by the trustees, the investment income on which is to be applied toward future grants and donations.

18. TANGIBLE FIXED ASSET FUND

	Total 2023 £	Total 2022 £
At 1 July 2022	2,795,953	2,838,138
Net movements in the year	(56,899)	(42,185)
At 30 June 2023	<u>2,739,054</u>	<u>2,795,953</u>

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Tangible Fixed Asset Funds £	Designated Funds £	Restricted Funds £	Total 2023 £
Fund balances at 30 June 2023 are represented by:					
Tangible fixed assets	—	2,739,054	—	1,588,616	4,327,670
Investments	3,787,455	—	6,847,462	—	10,634,917
Net current assets	163,115	—	—	1,066,300	1,229,415
Creditors due after one year	(59,970)	—	—	—	(59,970)
Total net assets	3,890,600	2,739,054	6,847,462	2,654,916	16,132,032

	General Funds £	Tangible Fixed Asset Funds £	Designated Funds £	Restricted Funds £	Total 2022 £
Fund balances at 30 June 2022 are represented by:					
Tangible fixed assets	—	2,795,953	—	1,679,549	4,475,502
Investments	3,323,839	—	7,689,012	—	11,012,851
Net current assets	99,859	—	—	1,138,446	1,238,305
Creditors due after one year	(116,816)	—	—	—	(116,816)
Total net assets	3,306,882	2,795,953	7,689,012	2,817,995	16,609,842

The total unrealised gains as at 30 June 2023 constitute movements on revaluations of investments are as follows:

	Total 2023 £	Total 2022 £
Unrealised gains (losses) on investments	96,623	(181,202)
Reconciliation of movements in unrealised gains (losses)		
Unrealised (losses) gains at 1 July 2022	(181,202)	716,957
Less: in respect of disposals in the year	367,130	—
Net gains (losses) arising on revaluation in the year	(89,305)	(898,159)
At 30 June 2023	96,623	(181,202)

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

20. ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Little Company of Mary due to the Leader LCM England, by virtue of her office, being ex-officio the sole member of the CIO.

21. LIABILITY OF THE MEMBER TO CONTRIBUTE TO THE ASSETS OF THE CIO IF IT IS WOUND UP

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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

England & Wales - Charity number 1186617

Accounts

**LITTLE COMPANY OF MARY SISTERS
ENGLAND CIO
(Registered Charity Number 1186617)**

TRUSTEES' REPORT AND ACCOUNTS

30 JUNE 2022

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR ENDED 30 JUNE 2022

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LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR ENDED 30 JUNE 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees (all appointed as first trustees)	Sister Jeannette Connell Sister Anita MacDonald Sister Margaret Service
Region Leader	Sister Jeannette Connell
Bursar	Mrs E Frost
Regional Office	Provincial House 93 Gunnersbury Avenue Ealing London W5 4LR
Governing Instrument	CIO Association registered 27 November 2019
Charity Registration Number (England and Wales)	1186617
Accountant	David Clark FCA 1 st Floor Church House 61 College Road Bromley BR1 3QG
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal Bankers	The Royal Bank of Scotland plc PO Box 412 2/63 Threadneedle Street London E14 5HP
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The trustees present their report together with the accounts of the Little Company of Mary Sisters England CIO, a Charitable Incorporated Organisation (CIO) (the "charity" or the "CIO") for the year to 30 June 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 24 to 28 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 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).

INTRODUCTION

The Little Company of Mary (the Congregation) is an international Catholic apostolic religious congregation of women founded in Nottingham by Mary Potter, an Englishwoman, in 1877. The Congregation is divided into a number of individual provinces and regions. The general administration is located in London.



The charity was dormant until 1 July 2020. With effect from midnight on 30 June 2020, in accordance with the legal transfer of undertakings and a resolution of the trustees, the activities, assets and liabilities of the Trust Property Held In Connection With The Little Company Of Mary (The Little Company of Mary Charitable Trust) (Charity Registration Number 233137) (the Charitable Trust), through which the sisters formerly conducted their affairs in England and Wales, were transferred to the Little Company of Mary Sisters England CIO. The accounts accompanying this report are the accounts of the CIO through which the assets of the Congregation in the United Kingdom have been administered since 1 July 2021.

MISSION

The Little Company of Mary Sisters England CIO enables the sisters of the Congregation to carry out their principal ministry of caring for the suffering, the sick and dying, especially the dying. The original inspiration came to Mary Potter after a serious illness during which time she found she could not pray and during which she saw the need for a group of women in the Church who would minister to and pray for the sick and dying, especially in their hour of need.

The charity aims to support the religious and other charitable works carried on by members of the Congregation and to care for those members throughout their lives with the Congregation. These ministries of the sisters of the Congregation, all of which benefit numerous members of the general public, fall into the following main areas:

◆ **Social and pastoral work**

Fewer members of the Congregation are involved in ministry because of age and fragility. Those who are able, continue to offer pastoral support in parishes and volunteer ministry where needed.

Overseas missionary work

The charity continues to support a Palliative Care Team working in healthcare, social and pastoral fields in Albania.

◆ **Heritage Centre, Nottingham**

The International Congregation has established a Heritage Centre in Nottingham to house the artefacts and memorabilia relating to the Congregation's Foundress, Mary Potter, and to promote the Charism and Spirituality of the Little Company of Mary. This ministry is on behalf of the international Congregation.

Care of members of the Congregation

By caring for members of the Congregation, the charity ensures that the sisters' ministry continues for as long as possible. As the Covid-19 pandemic continued through much of the financial year ministry was curtailed and more support given via telephone.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

GOVERNANCE, STRUCTURE AND MANAGEMENT

Background

The CIO is governed by a constitution dated 14 November 2019 and is registered with the Charity Commission in England and Wales, (Charity Registration No. 1186617).

The Congregational Leader appoints the Region Leader/trustees, and all are members of the Congregation.

The Region Leader, the Assistant Region Leader, the Region Treasurer, and local leaders administer the Region. The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office during the year to 30 June 2022 are given below:

Trustees

Sister Jeannette Connell – Region Leader

Sister Jeannette entered the Congregation of the Little Company of Mary in 1969, having completed her general nursing and midwifery training. She obtained a diploma in Clinical Nurse Education in 1981, completed a management course in 1987, and obtained a diploma in Palliative Care in 1988. Sister Jeannette has worked as a Registered Nurse in the National Health Service and in hospitals sponsored by the English Province and was Matron of the Convent Hospital in Nottingham for 10 years until 1998. She served as a Provincial Councillor and trustee from 1985 to 1990 and 1995 to 2000. She was Provincial Leader of the English Province from 2000 to 2005 and served as a trustee of the Little Company Of Mary Sisters England CIO during that period. She was elected as Congregational Leader in 2005 for a period of 6 years, completing the term in 2011. In July 2011, she was appointed as Provincial Leader for a period of five years and was re-appointed as Province Leader for a further five years from July 2016 and currently serves as a trustee. On 1 January 2020 she was appointed Region Leader.

Sister Anita MacDonald – Assistant Region Leader

Sister Anita joined the Little Company of Mary in 1963. She qualified in General, Psychiatry and District Nursing and worked in England. She was Formation Directress for 10 years in the UK Province and in 1993 with two other sisters founded a mission to assist the sick and dying in Albania which is now managed by Albanian doctors and nurses. Sister Anita has served as Province Councillor and was elected as Congregational Councillor from 1999 to 2005. She is currently a member of the Heritage Centre community and is involved in the ministry of Spiritual Direction and is local facilitator for the Little Company of Mary Associates in Nottingham. Sister Anita was appointed Assistant Region Leader on 1 January 2020 and serves as a trustee.

Sister Margaret Service

Sister Margaret joined the Little Company of Mary in England in 1961, and qualified in 1969 as a State Registered Nurse. She undertook further nursing studies at the Royal College of Nursing and qualified as a Clinical Nurse Teacher in 1974. She worked and taught within NHS Hospitals for ten years until a further appointment as Matron of St Raphael's Hospital Edinburgh, a small general hospital run by the Little Company of Mary. During this time, she did a Nursing Officers Management course at Queen Margaret College. In 1986 she obtained a post graduate diploma in Pastoral Theology from Heythrop College, University of London, thereafter, joining the Prison Service as a full time Chaplain. She served as a Province Councillor and trustee from 2000 to 2005. In 2006 she returned to Edinburgh as a local leader for a small group of older Little Company of Mary sisters, her role being mainly administration and pastoral care. In 2011 she was again appointed as a Province Councillor and trustee and currently lives in Nottingham having joined the team at the Little Company of Mary Heritage Centre. Sister Margaret serves as a trustee.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions 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 and the applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet and consult regularly to review developments with regard to the charity or their activities and make any important decisions. When necessary, the trustees seek advice and support from professional advisers including property consultants, investments 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 Congregation or senior staff.

Key management personnel

The trustees consider that the key management of the charity consist of themselves and in particular the Region Leader and Assistant Region Leader to whom much of the running of the day-to-day running operation devolves. As religious sisters, under a vow of poverty, the trustees do not receive remuneration.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the charity currently faces in Britain. They have reviewed the measures already in place, or needing to be put in place, to deal with them. In addition to the risk faced because of the Covid-19 pandemic, the trustees have identified five main areas where risks may occur:

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

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

Operational looks at the risks inherent in the charity's activities including the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

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

Reputational looks at possible damage to the Congregation's reputation and/or charity's reputation.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of noncompliance with laws and regulations.

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

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

- ◆ The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid Compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.
- ◆ Operationally the charity works with vulnerable adults, including older people, and occasionally with children. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serve. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Standards Agency (CSSA) and the Religious Life Safeguarding Service (RLSS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers are kept informed about good practice in work and ministry.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- ◆ The charity donates significant sums in support of the wider Congregation and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Congregation. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs.
- ◆ The charity runs a care facility for its own sisters at Westcliffe-on-Sea. As with any such operation, there are continual regulatory changes which must be complied with and financial pressures such as the fact that costs tend to rise with need to provide staff cover for 24 hours. The trustees consult with Healthcare Management Trust, a charity specialising in the provision of hospital and elderly care with a Christian ethos.

PUBLIC BENEFIT

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

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

As stated above under "Mission", the activities of the charity during the year can be divided into four principal areas: caring for members of the Congregation, the social and pastoral work of the sisters, the support of overseas missionary work and the operation of the Mary Potter Heritage Centre. Each of these is considered in turn below:

Care of members of the Congregation

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation is increasing as existing members grow older. There are no new members in the English Region.

The age of the sisters ranges from 75 to 95 years. The average age is 85.5 years. There were 20 sisters in the Region at the beginning of the financial year. During the year 3 Sisters died and one Sister transferred to Ireland. The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted their lives to prayer and the care of the sick, the elderly, poor and marginalised in society. As the age profile of the Congregation increases so too does the need to provide increasingly expensive care for the sisters.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Care of members of the Congregation (continued)

Those sisters requiring additional care live in Westcliff on Sea. They benefit from living in their own religious community setting, where they can continue their own individual and community prayer for the needs of the world and especially for the sick and dying. A Care Manager and staff support and care for the sisters over the 24-hour period. The trustees know that the number requiring care will increase. Therefore, the trustees of the Little Company of Mary Sisters England CIO give careful consideration to the impact of this on the work of individual members of the Congregation, the property requirements of the Congregation and the financial implications. In this regard, the aims of the trustees of the CIO over the forthcoming years include:

- ◆ Ensuring all members of the Congregation receive the high level of care they require to provide them with the quality of life they should rightly expect;
- ◆ Reviewing properties used as community houses and assessing their suitability as homes for the elderly and frail. Those identified as being unsuitable will be adapted or, if this proves impossible, sold and replaced with properties more appropriate for the elderly;
- ◆ Enabling all members of the Congregation to continue with their individual ministries for as long as possible.

Social and pastoral work

The following are examples of the social and pastoral work undertaken by individual sisters:

- Parish visiting and pastoral support;
- Responding to requests for prayer from individuals and praying with the housebound.
- Eucharistic ministers in parishes, individuals at home and care homes;
- One sister volunteers at a local NHS hospital;
- Bereavement, counselling support.
- Spiritual direction.
- ◆ Ministering in the Mary Potter Heritage Centre for the Congregation, facilitating individuals and groups from parishes, schools and other interested parties in Nottingham and surrounds; International visitors from LCM facilities also visit.
- Planning and facilitating heritage pilgrimages for local and international groups;
- Two sisters serve as trustees on a grant giving charity in Nottingham;
- One sister is the safeguarding representative for the Region;
- Developing the associate members of the Little Company of Mary; and
- The sisters also provide accompaniment to lay people who wish to embrace our charism and spirituality.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Social and pastoral work (continued)

The aims of the trustees in this area include:

- ◆ Enabling members of the Congregation to carry out meaningful social and pastoral work within the community after assessing their skills and the needs of the local area;

Encouraging and motivating members to work with and assist the poor, elderly and marginalised;

- ◆ Wherever possible ensuring sisters are remunerated for such work by way of stipend. Such income is donated to the charity and thereby ensures that the work of the sisters and charity may continue and develop.

Overseas missionary work

Mary Potter Palliative Care Centre, Korce, Albania

In 2003 the Little Company of Mary handed over responsibility for the palliative care service in Korce to the local staff. The Little Company of Mary left Albania in June 2004. At the end of 2004 the Albanian staff became recognised as an NGO.

The charity continues to support the mission in Korce, Albania. The staff continue to develop their care of the dying in Korce and in many other areas in Albania. Their work to care for the dying and to offer symptom control to cancer sufferers increases year on year. The clinic continues to be viewed as a 'place of excellence' by the Albania authorities. Most of the palliative care service takes place in patients' own homes.

The team maintain the Congregation's ethos and values both in their work in the clinic and in the community. They continue to view education of others in palliative care to be of the utmost importance. To increase the knowledge of other healthcare professionals strengthens cooperation and therefore enhances the care that patients receive and assists in earlier diagnosis.

The staff offer training to family members, especially in end-of-life care for their loved ones. Day care is now provided for cancer patients. This provision is appreciated and is modelling the development of palliative care in Albania. The staff are mindful of the responsibility for their own education and development and attend workshops in other parts of Europe.

The charity is committed to the provision of funding to support the palliative care ministry in Albania and we continue to send funds as required. In addition, the charity is committed to a yearly visit for ongoing support, to monitor the running of the clinic and the development of the service. The visit was not possible in 2021 or 2022

The clinic is well maintained, and the staff are aware of the need for repairs.

In summary, the palliative care team consists of 16 paid members of staff:

Statistics for 2021 – 2022 (see pages 9 to 12)

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Overseas missionary work

Mary Potter Palliative Care Centre, Korce, Albania (continued)

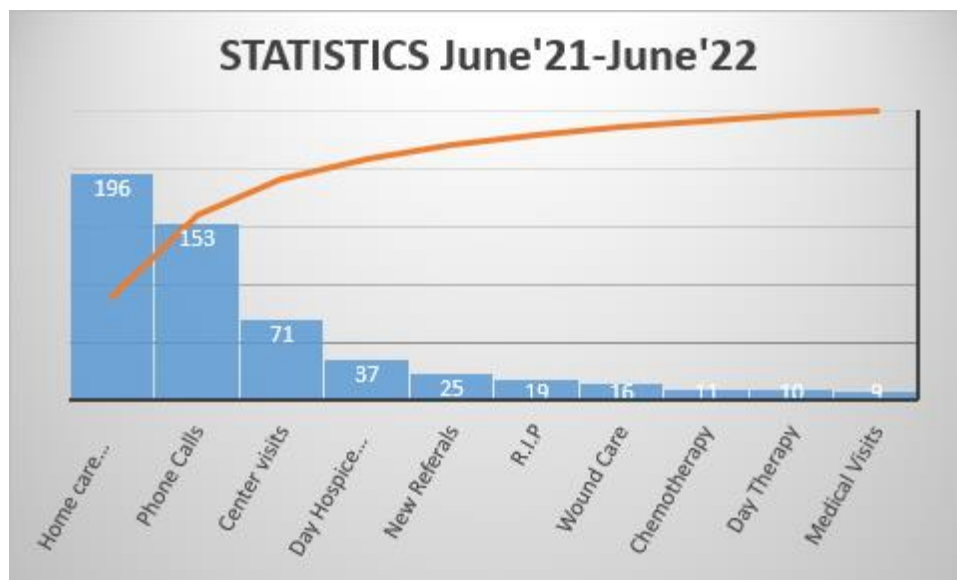
Mary Potter Clinic Staff Information

The number of staff employed at the Mary Potter clinic is sixteen (16). The staffing roles are as below;

- ✓ executive director
- ✓ an office assistant
- ✓ a financier
- ✓ six nurses
- ✓ two doctors
- ✓ One driver
- ✓ cleaning lady and cook
- ✓ two building guard

During the year 2022 four have left their jobs - 2 (two) nurses, one office assistant and a social - and the Clinic hired two nurses and one office assistant as new staff.

Statistics on patients and the services they receive at the Mary Potter Clinic



LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

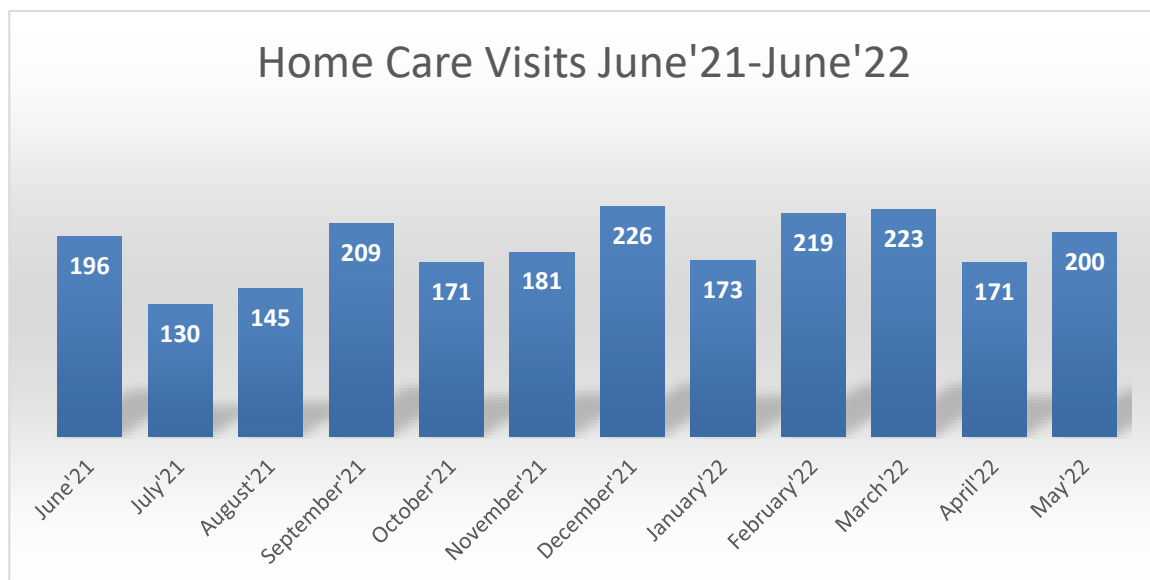
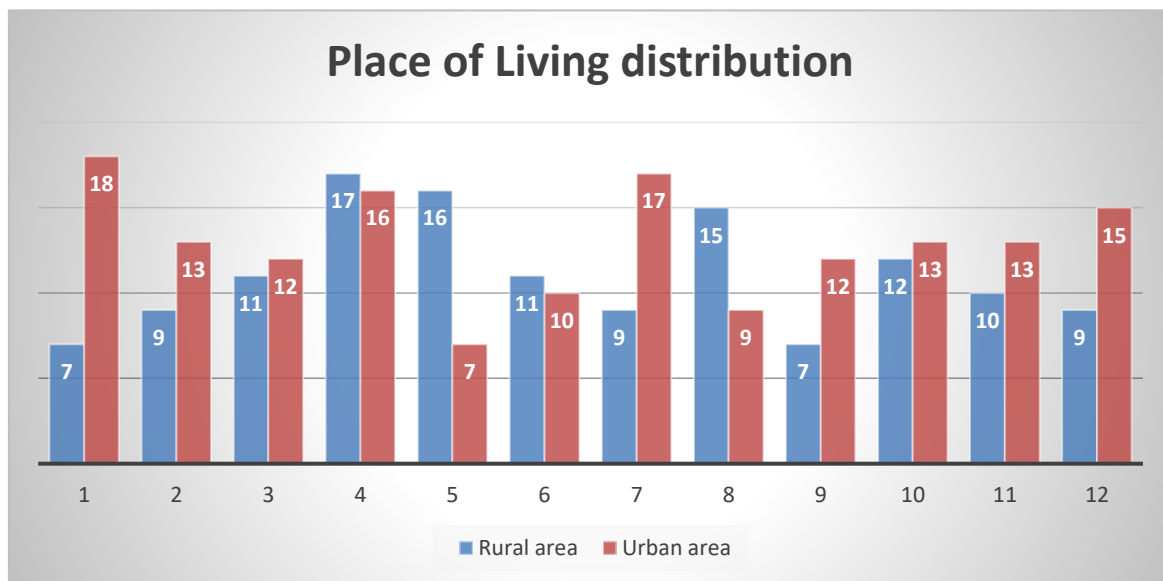
TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Overseas missionary work

Mary Potter Palliative Care Centre, Korce, Albania (continued)



LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

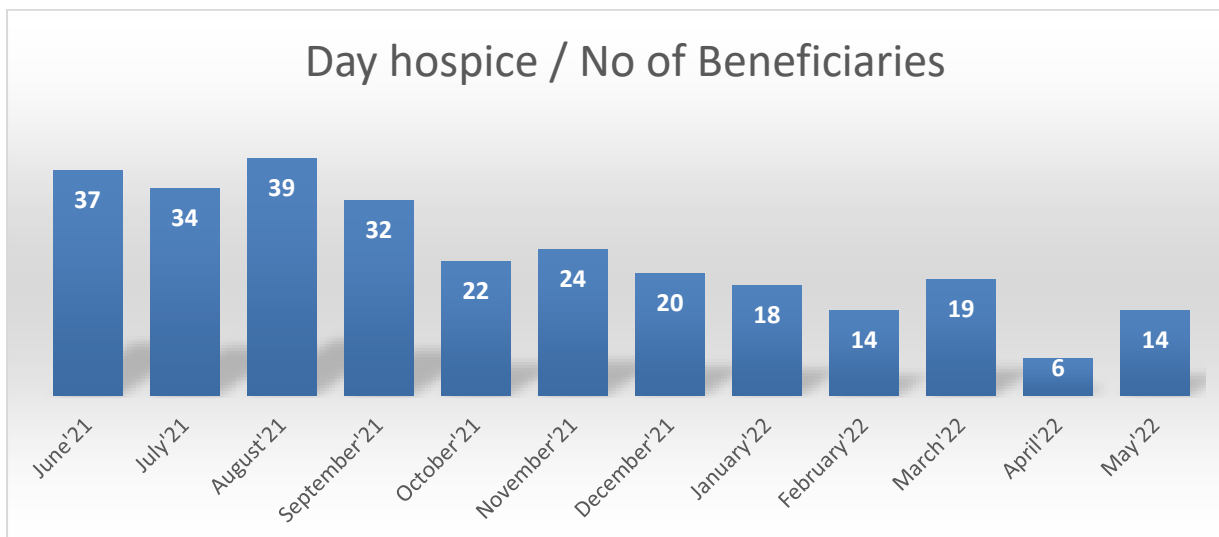
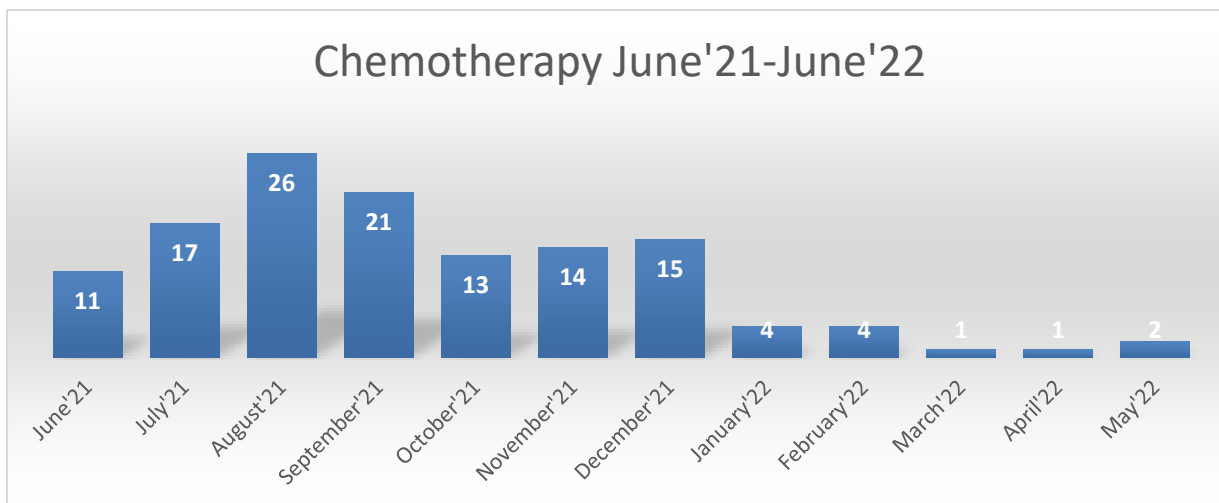
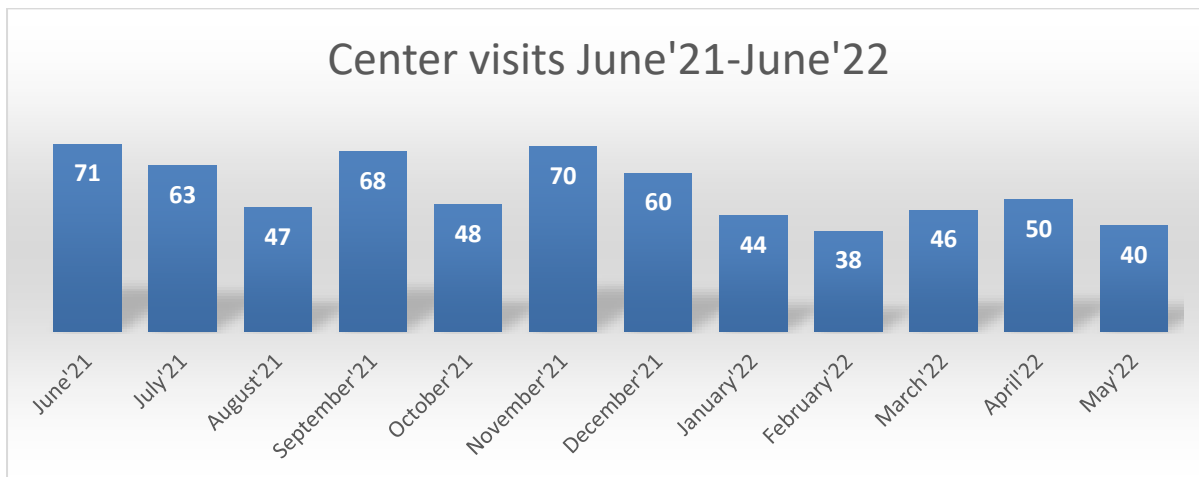
TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Overseas missionary work

Mary Potter Palliative Care Centre, Korce, Albania (continued)



LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

The trustees receive a monthly financial and narrative report from the Manager, showing that the funds and equipment provided by the charity are used for the purposes intended.

We continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as supporting the growth of the mission in Albania.

Heritage Centre, Nottingham

The English Region has been entrusted with the artefacts and memorabilia relating to the Congregation's Foundress, Mary Potter, and its heritage. This ministry is on behalf of the international Congregation. Due to the restrictions of lockdown during the Covid pandemic there were no visitors to the Heritage Centre during the financial year. The centre re-opened in September 2022. The part time Administrative Secretary returned from furlough in July 2021.

Volunteers

Throughout the year, the members of the Congregation give their time to assist the poor and marginalised and those in need. We receive one stipend for a parish Sister which contributes to the overall achievement of the charity's objectives. The other sisters receive no financial reward for their ministry. While all the sisters contribute to the mission of the Congregation sisters are specifically involved in the ministries listed opposite. Some sisters are involved in one or more of the ministries listed. In addition, members are involved in administering the work of the Congregation and charity - without their contribution, the charity would not be able to function as effectively or fully as it does. Details of the areas in which members gave their time are shown in the table opposite. All sisters are supportive of the people in local parishes	Area	Number of sisters involved
	Parish work and Eucharistic ministry	3
	Volunteer at local hospital.	1
	Spiritual Direction	2
	Heritage Centre	1 full time
	Bereavement support	1

Protection of Children and Vulnerable Adults

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. All sisters who are in any kind of ministry in Great Britain having to obtain clearance from the Disclosure and Barring Service (DBS).

Safeguarding Structure

We are no longer accountable to Westminster Diocese for Safeguarding.

During 2021 -2022 the trustees were engaged in the consultation process for the setting up of the new Religious Life Safeguarding Structure (RLSS. The new structure was implemented in February 2022. We have a contract with RLSS and have joined Catholic Safeguarding Standards Agency (CSSA).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Congregation as appropriate. In the main, the charity supports works of the Congregation in overseas countries especially Albania and Zimbabwe and Manila.

Whilst the trustees give occasional support to United Kingdom organisations whose work is within the objects of the charity, it does not regard itself as a grant making entity and applications for grants and donations are not invited. Donations, however, are made to much needed services for the poorest and marginalised people in society in line with Mary Potter's vision of working with those in desperate need.

Investment policy

The charity's investments were managed by CCLA during the year having been transferred from Barclays Investment Solutions in the year to 30 June 2021. 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 manager's view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised 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 Catholic Church.

The performance of the portfolio and the investment strategy are reviewed by the trustees who meet with the investment managers every six months.

FINANCIAL REVIEW AND RESERVES POLICY

Results for the year

A summary of the results of the year to 30 June 2022 can be found on page 21 of this report and accounts.

Total income for the year to 30 June 2022 was £536,463 (2021: £594,436 plus the transfer of net assets from the charitable trust. The transfer (or donation) of the assets and liabilities from the predecessor entity, a Charitable Trust, at midnight on 30 June 2020 increased income by £17,251,320 to give total income of for the year to 30 June 2021 of £17,845,756. Total income included investment income of £339,523 (2021: £329,865) and voluntary income of £196,940 (2021: £257,432). This latter category includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid.

Expenditure for the year to 30 June 2022 amounted to £1,130,718 (2021: £1,488,869). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

FINANCIAL REVIEW AND RESERVES POLICY (continued)

Results for the year (continued)

Expenditure connected with the Heritage Centre was £156,056 (2021: £140,228) including depreciation of 105,826 (2021: £106,307) on the Heritage Centre property and fixtures and fittings. Donations totalled £300,159 (2021: £605,605) which included a number of committed amounts to charitable projects.

Net expenditure, before investment gains/losses, for the year to 30 June 2022 was £594,255 compared to net income for the year to 30 June 2021, after accounting for the transfer from the Charitable Trust, of £16,356,887.

Investment losses were £898,159 (2021: gains of £1,645,369). The overall result was net expenditure of £1,492,414 (2021: net income of £18,002,256).

Investment performance

As previously stated, the charity's investments are managed by CCLA. At 30 June 2022, the investments had a market value of £11,012,851 (2021: £11,911,010).

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 12 to the attached accounts. During the year to 30 June 2020, the charity's investments achieved an annualised income yield of 2.85% (2021: 2.89%), and an annualised capital return of -7.54% (2021: +14.43%). Returns are broadly in line with the averages quoted for the charity sector over the year and the trustees are therefore satisfied with investment performance.

Reserves policy

The charity carries out a diverse range of activities and is responsible for the care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to up to four years' expenditure at any one time. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income and will allow the trustees to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

Balance sheet reserves stood at £16,509,842 (2021: £18,002,256).

The tangible fixed assets fund totalled £2,795,953 (2021: £2,838,138), comprising the tangible fixed assets used to support the work of the sisters, excluding those assets relating to the Heritage Centre which are financed from restricted funds.

£6,400,000 (2021: £8,000,000) has been set aside to provide for the sisters in their retirement, none of whom have resources of their own. The calculations, based on actuarial methods, indicated that this amount is needed to be set aside in order to provide for the sisters and for the increasingly expensive health and care costs which become inevitable as people grow older.

A further £1,289,012 (2021: £1,589,171) has been set aside as a Congregation Giving Fund to be applied to future grants and donations.

Of the remaining funds, £2,717,995 (2021: £2,862,443) are restricted funds comprising funds held for the overseas mission in Albania of £23,727 (2021: £23,517) and £2,694,268 (2021: £2,838,926) in respect of the Heritage Centre Fund being the property purchased and refurbished for the Centre and other monies received specifically for its establishment.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2022

FINANCIAL REVIEW AND RESERVES POLICY (continued)

Financial position (continued)

Funds available to support the work of the sisters in the future, in particular the support of the Congregation's missionary and healthcare work, are shown as general funds on the balance sheet and amounted to £3,306,882 (2021: £2,712,504). This figure needs to be considered in the light of ongoing annual expenditure from unrestricted funds of approximately £1.1m (2021 - £1.5m), the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas and the fact that the charity is sustaining annual operating deficits. The trustees are of the opinion that the free reserves are adequate but not excessive and in line with the above policy.

FUTURE PLANS

In the CIO, we will continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as appropriate Leadership structures for the future.

The trustees do not anticipate any significant change to the activities formerly undertaken through the predecessor entity, the charitable trust over the next two to five years. It is their intention to continue to meet the following objectives:

- To monitor the needs of the sisters as they grow older and, if necessary, adapt the charity's plans in respect of property needs and the provision of care to elderly members.
- To continue to care for the sisters and to enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible.
- To support the Congregation's work overseas and for the trustees to satisfy themselves that the funds are applied for their intended purpose.
- To consider setting aside further designated funds to earmark monies to be used to finance an enhanced grant-making programme.

EMPLOYEES, VOLUNTEERS AND MEMBERS OF THE CONGREGATION

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

Signed on behalf of the trustees:

Jeannette Connell
Trustee

Approved by the trustees on: 2022

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO

Opinion

We have audited the accounts of the Little Company of Mary Sisters England CIO (the 'charity') for the year to 30 June 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 statement of trustees' responsibilities, 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 one of the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and review of minutes of trustees' meetings.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

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

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ Making enquiries of those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

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 those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

We did not identify any irregularities, including fraud.

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 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

2022

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total funds £	Unrestricted Funds £	Restricted Funds £	2021 Total funds £
INCOME FROM:							
Donations and legacies	1	196,690	250	196,940	257,157	275	257,432
Investments and bank deposits	2	339,222	301	339,523	329,730	135	329,865
Other							
- COVID Job Retention Scheme		-	-	-	7,139	-	7,139
		<u>535,912</u>	<u>551</u>	536,463	<u>594,026</u>	<u>410</u>	<u>594,436</u>
Transfer from Charitable Trust	23	-	-	-	14,263,300	2,988,020	17,251,320
Total Income		<u>535,912</u>	<u>551</u>	536,463	<u>14,857,326</u>	<u>2,988,430</u>	<u>17,845,756</u>
EXPENDITURE ON:							
Raising funds							
- Investment management fees		-	-	-	33,740	-	33,740
Charitable activities							
. Support of members of the Congregation and their ministry	3	674,503	-	674,503	709,296	-	709,296
. Donations	4	300,159	-	300,159	605,370	235	605,605
. Heritage Centre	5	11,057	144,999	156,056	14,476	125,752	140,228
Total Expenditure		<u>985,719</u>	<u>144,999</u>	1,130,718	<u>1,362,882</u>	<u>125,987</u>	<u>1,488,869</u>
Net (expenditure)/income before (losses)/gains on investments		(449,807)	(144,448)	(594,255)	13,494,444	2,862,443	16,356,887
Other recognised gains and losses							
Net (losses)/gains on investments		(898,159)	-	(898,159)	1,645,369	-	1,645,369
Net (expenditure) / income and net movement in funds for the year	6	(1,347,966)	(144,448)	(1,492,414)	15,139,813	2,862,443	18,002,256
Reconciliation of funds:							
Total funds brought forward at 1 July 2021		15,139,813	2,862,443	18,002,256	-	-	-
Total funds carried forward at 30 June 2022		<u>£13,791,847</u>	<u>£2,717,995</u>	£16,509,842	<u>£15,139,813</u>	<u>£2,862,443</u>	<u>£18,002,256</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	£	2022	£	£	2021	£
FIXED ASSETS							
Tangible fixed assets	11			4,475,502			4,623,513
Investments	12			11,012,851			11,911,010
				<u>15,488,353</u>			<u>16,534,523</u>
CURRENT ASSETS							
Debtors	13	118,510				119,645	
Cash at bank & in hand		1,169,115				1,645,234	
				<u>1,287,625</u>		<u>1,764,879</u>	
CURRENT LIABILITIES							
CREDITORS: Amounts falling due within one year	14	(149,320)				(257,146)	
NET CURRENT ASSETS							
				1,138,305			1,507,733
				<u>16,626,658</u>			<u>18,042,256</u>
CREDITORS: Amounts falling due after one year							
	15			(116,816)			(40,000)
NET ASSETS							
				<u><u>£16,509,842</u></u>			<u><u>£18,002,256</u></u>
REPRESENTED BY:							
FUNDS AND RESERVES							
Restricted funds	16			2,717,995			2,862,443
Unrestricted funds							
- Designated funds	17	7,689,012				9,589,171	
- Tangible fixed assets fund	18	2,795,953				2,838,138	
- General fund		3,306,882				2,712,504	
				<u>13,791,847</u>		<u>15,139,813</u>	
				<u><u>£16,509,842</u></u>		<u><u>£18,002,256</u></u>	

Approved by the trustees and signed on their behalf by:

Jeannette Connell

Trustee

Approved by the trustees on:

2022

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	2021 £
Cash flows from Operating Activities			
Net cash used in operating activities	A	(777,815)	(1,155,576)
Cash flows from investing activities			
Investment income and interest received		341,464	270,876
Purchase of tangible fixed assets		(39,768)	-
Purchase of investments		-	(22,592,299)
Proceeds from disposal of investments		-	23,214,182
Net cash generated by investing activities		301,696	892,759
Change in cash and cash equivalents in the year		(476,119)	(262,817)
Cash and cash equivalents at 1 July 2021		1,645,234	-
Cash and cash equivalents transferred from the Charitable Trust (note 23)	B	-	1,908,051
Cash and cash equivalents at 30 June 2022	C	£1,169,115	£1,645,234

Notes to the cash flow statement for the year to 30 June 2022

	2022 £	2021 £
A. Reconciliation of net income for the year to net cash used in operating activities		
Net income for the year as per the Statement of Financial Activities)	(1,492,414)	18,002,256
Adjustments for		
Depreciation charge	187,779	197,362
Losses / (gains) on investments	898,159	(1,645,369)
Transfer of non-cash assets from predecessor entity	-	(17,251,320)
Investment income and interest receivable	(339,523)	(329,865)
Increase in debtors	(806)	(1,454)
Decrease in creditors	(31,010)	(127,186)
Net cash used in operating activities	£(777,815)	£(1,155,576)
B. Analysis of cash and cash equivalents transferred from the Charitable Trust		
Cash at bank and in hand	-	1,509,740
Cash held by investment managers	-	398,311
Total cash and cash equivalents	£-	£1,908,051
C. Analysis of cash and cash equivalents (net debt)		
Cash at bank and in hand	1,169,115	1,645,234
Total cash and cash equivalents	£1,169,115	£1,645,234

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2022

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

Basis of preparation

These accounts have been prepared for the year to 30 June 2022. As these are the first financial statements of the charity, no comparative figures are provided in respect a previous financial period.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating legacies receivable;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge; and
- ◆ determining the amounts to be designated for specific purposes including estimating the Sisters' retirement fund, created in order to provide for the continuing care of the members of the Congregation.
- ◆ estimating the income and expenditure flows and financial position of the charity for the purposes of assessing going concern.

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.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 June 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2022

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 on bank deposits and other income 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.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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 been transferred to the charity.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

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

Income from the Coronavirus Job Retention Scheme is credited to the statement of financial activities once the charity is entitled to the funding and when the amount receivable has been quantified.

The transfer of funds from Little Company of Mary Charitable Trust (the Charitable Trust) represents the net book value of the relevant assets and liabilities measured at fair value and is included within total income in accordance with FRS 102.

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2022

Expenditure recognition

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

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

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

The provision of a multi-year grant is recognised where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable. Such grants are recognised at their discounted present value where the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

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

All expenditure on support and governance has been attributed directly to the charitable activity of supporting members of the Congregation as, in the opinion of the trustees, any amounts in respect to provision of grants and donations and the operation of the Heritage Centre would be minimal.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2022

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

◆ Freehold land and buildings

Freehold land and buildings purchased, by the predecessor charitable trust, on or prior to 1 January 1998 are included in the accounts at a valuation determined by the trustees as at that date with professional assistance, based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these properties was deemed its cost. Land and buildings purchased on or after 1 January 1998 are shown on the balance sheet at cost.

Land and buildings comprise:

- ◇ Non-specialised land and buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and 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.
- ◇ Specialised buildings comprise the Congregation's the convent situated at Westcliffe, where elderly and infirm sisters are cared for, and the Heritage Centre at Nottingham. Depreciation is provided at the following rates per annum based on cost in order to write off each asset over their useful economic life:
 - ◇ Buildings 2% per annum
 - ◇ Improvements 6.67% per annum.

◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a five year period, based on the estimated useful life of the asset, on a straight line basis.

◆ Motor vehicles

Motor vehicles are capitalised and depreciated over a four-year period, on a straight line basis, in order to write off the cost of each asset over its 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 is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2022

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Services provided by members of the Congregation

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

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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 INCOME FROM: DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Sisters' salaries and pensions donated under Gift Aid or Deed of Covenant	194,862	-	194,862	219,440	-	219,440
Donations and legacies	1,828	250	2,078	37,717	275	37,992
	<u>£196,690</u>	<u>£250</u>	<u>£196,940</u>	<u>£257,157</u>	<u>£275</u>	<u>£257,432</u>

2 INCOME FROM: INVESTMENTS AND BANK DEPOSITS

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income from listed investments	339,158	-	339,158	329,600	-	329,600
Bank interest	64	301	365	130	135	265
	<u>£339,222</u>	<u>£301</u>	<u>£339,523</u>	<u>£329,730</u>	<u>£135</u>	<u>£329,865</u>

3 EXPENDITURE ON: SUPPORT OF MEMBERS OF THE CONGREGATION AND THEIR MINISTRY

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Premises and equipment costs	18,627	-	18,627	15,475	-	15,475
Sisters' living and ministry expenses	541,081	-	541,081	524,676	-	524,676
Other support costs	103,095	-	103,095	151,631	-	151,631
Governance costs (note 6)	11,700	-	11,700	17,514	-	17,514
	<u>£674,503</u>	<u>£-</u>	<u>£674,503</u>	<u>£709,296</u>	<u>£-</u>	<u>£709,296</u>

4 EXPENDITURE ON: DONATIONS AND GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
The Palliative Care Centre in Korce, Albania	6,326	-	6,326	72,384
Contribution to the Generalate	31,525	-	31,525	31,525
Little Company of Mary, Zimbabwe	-	-	-	382,425
Little Company of Mary Generalate Emergency	12,500	-	12,500	12,500
Mary Magdalen Foundation	6,000	-	6,000	45,000
St Barnabas Cathedral	5,000	-	5,000	5,000
CAFOD	10,000	-	10,000	10,000
RLSS - Donation to Common Fund	5,000	-	5,000	-
CCS Core Admin Durham University	187,708	-	187,708	-
Korce Church, Albania	2,000	-	2,000	-
The Passage	5,000	-	5,000	5,000
The Medaille Trust	-	-	-	5,000
Emmaus House	5,000	-	5,000	5,000
Mary's Meals	5,000	-	5,000	5,000
Shooting Star Children's Hospice	2,000	-	2,000	2,000
Cardinal Hume Centre	5,000	-	5,000	5,000
Jericho Road Project	-	-	-	3,000
Catholic Children's Society	2,000	-	2,000	2,000
Emmanuel House	5,000	-	5,000	5,000
Irenaeus Project	-	-	-	2,000
Poor Clare Colettines	-	-	-	1,000
Aid to the Church in Need	3,000	-	3,000	3,000
Preca College	-	-	-	2,000
Payments of less than £1,000 each	2,100	-	2,100	1,550
Donations and grants payable to organisations	300,159	-	300,159	605,384
Donations and grants payable to individuals	-	-	-	221
Total	£300,159	£-	£300,159	£605,605
Prior Year				
	Unrestricted Funds £	Restricted Funds £	Total 2021 £	
Donations and grants payable to organisations	605,149	235	£605,384	
Donations and grants payable to individuals	221	-	221	
Total	£605,370	£235	£605,605	

Donations were paid to no individuals in the year to 30 June 2022 (30 June 2021: one).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

5 EXPENDITURE ON: HERITAGE CENTRE

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Heritage Centre operating expenses	11,057	39,173	50,230	14,476	19,445	33,921
Depreciation	-	105,826	105,826	-	106,307	106,307
	<u>£11,057</u>	<u>£144,999</u>	<u>£156,056</u>	<u>£14,476</u>	<u>£125,752</u>	<u>£140,228</u>

6 GOVERNANCE COSTS

	Total 2022 £	Total 2021 £
Auditor's remuneration (including VAT):		
- Current year	12,000	11,700
- Prior year	(300)	(2,187)
	<u>11,700</u>	<u>9,513</u>
Other professional fees	-	8,001
	<u>£11,700</u>	<u>£17,514</u>

7 NET (EXPENDITURE) /INCOME AND NET MOVEMENT IN FUNDS FOR THE YEAR

	Total 2022 £	Total 2021 £
This is stated after charging/(crediting):		
Staff costs (note 8)	337,879	370,061
Auditor's remuneration (including VAT):		
- Statutory audit fees		
- Current year	12,000	11,700
- Prior year	(300)	(2,187)
Depreciation	187,779	197,362
	<u></u>	<u></u>

8 STAFF COSTS

	Total	Total
	2022	2021
	£	£
Staff costs during the year were as follows:		
Wages and salaries	299,022	266,197
Social security costs	11,968	17,089
Other pension costs	10,627	9,939
	<hr/>	<hr/>
	321,617	293,225
Employment claim settlement	-	27,000
Agency staff	16,262	49,836
	<hr/>	<hr/>
	£337,879	£370,061
	<hr/> <hr/>	<hr/> <hr/>

No employees earned £60,000 per annum or more (excluding employer's pension contributions but including benefits) during the year (2021 – none).

The average number of employees, analysed by function, was:

	2022	2021
	No.	No.
Support of members of the Congregation and their ministry	17.8	16.7
Heritage Centre	1.0	1.0
	<hr/>	<hr/>
	18.8	17.7
	<hr/> <hr/>	<hr/> <hr/>

9 KEY MANAGEMENT, TRUSTEES' EXPENSES AND REMUNERATION AND TRANSACTIONS WITH TRUSTEES

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

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

As members of the Congregation, none of the trustees have resources of their own. 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 £35,042 (2021: £34,774).

10 TAXATION

The Little Company of Mary Sisters England CIO is a Charitable Incorporated Organisation 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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

11 TANGIBLE FIXED ASSETS

	Land and Buildings		Heritage Centre fixtures & fittings	Motor vehicles	Office Equipment and furniture	TOTAL
	Non- specialised £	Specialised £	£	£	£	£
Cost or valuation						
At 1 July 2021	1,640,270	3,270,266	1,261,037	59,400	95,134	6,326,107
Additions	-	37,264	-	-	2,504	39,768
30 June 2022	<u>1,640,270</u>	<u>3,307,530</u>	<u>1,261,037</u>	<u>59,400</u>	<u>97,638</u>	<u>6,365,875</u>
Depreciation						
At 1 July 2021	-	935,522	616,686	56,069	94,317	1,702,594
Charge for the year	-	106,825	76,189	3,327	1,438	187,779
30 June 2022	<u>-</u>	<u>1,042,347</u>	<u>692,875</u>	<u>59,396</u>	<u>95,755</u>	<u>1,890,373</u>
Net book value						
30 June 2022	<u>£1,640,270</u>	<u>£2,265,183</u>	<u>£568,162</u>	<u>£4</u>	<u>£1,883</u>	<u>£4,475,502</u>
30 June 2021	<u>£1,640,270</u>	<u>£2,334,744</u>	<u>£644,351</u>	<u>£3,331</u>	<u>£817</u>	<u>£4,623,513</u>

As permitted under FRS 102, the charity has opted to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings owned at 31 December 1997 is based on trustees' valuation made, with professional assistance, as at that date on the basis of replacement value for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property is now deemed its cost. Additions in subsequent years are stated at cost. Other tangible fixed assets are stated at cost.

Non-specialised land and buildings included three properties held on a long lease of 125 years which commenced on 29 September 1968 and one property held on a long lease of 125 years which commenced on 1 June 1996. The net book value of these properties in the balance sheet at 30 June 2021 was £815,093. All other land and buildings, both non-specialised and specialised, were freehold.

The historical cost of the freehold land and buildings included above at a valuation cannot be obtained without significant time and expense researching past records. The trustees are of the opinion that such information would not add to the understanding of the accounts.

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, are not justified in terms of the benefit to the users of the accounts.

12 LISTED INVESTMENTS

	Total 2022 £	Total 2021 £
Listed investments		
Market value at 30 June 2021	11,911,010	-
Transferred from Charitable Trust (note 23)	-	10,887,524
Additions at cost	-	22,592,299
Disposals at book value (see below)	-	(22,285,770)
Net unrealised investment (losses)/gains	(898,159)	716,957
Market value at 30 June 2022	<u><u>£11,012,851</u></u>	<u><u>£11,911,010</u></u>
Cost of assets at year-end	<u><u>£11,194,053</u></u>	<u><u>£11,194,053</u></u>
	£	£
Disposals at book value included above are made up of the following:		
Proceeds	-	23,214,182
Gains on disposal	-	(928,412)
	<u><u>£-</u></u>	<u><u>£22,285,770</u></u>

The disposal figure for the prior year reflects the change in investment manager during the period and the fact that the transition from one manager to another involved the disposal of the majority of the investment holdings and the transfer of cash. The new investment manager invested the funds in the COIF Charities Ethical Investment Fund (a Common Investment Fund) initially and then subsequently in the Catholic Investment Fund (a Charity Authorised Investment Fund).

Listed investments held comprised the following:

	£	£
CAIF Catholic Investment Fund	<u><u>£11,012,851</u></u>	<u><u>£11,911,010</u></u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

13 DEBTORS

	Total 2022 £	Total 2021 £
Investment income and interest receivable	81,786	83,727
Prepayments	26,724	19,090
Other debtors	10,000	16,828
	<u>£118,510</u>	<u>£119,645</u>

14 CREDITORS – Amounts falling due within one year

	Total 2022 £	Total 2021 £
Monies administered on behalf of individual members of the Congregation	13,677	13,677
Donations	93,892	130,000
Sundry creditors	3,317	7,463
Accruals and deferred income	23,849	21,700
Taxation & Social Security	-	26,423
Amount payable in respect to assets under construction	-	18,040
Other creditors	14,585	39,843
	<u>£149,320</u>	<u>£257,146</u>

Other creditors represent monies held within the charity's own bank accounts on behalf of the Palliative Care Centre in Korce, Albania.

15. CREDITORS – Amounts falling due after one year

	Total 2022 £	Total 2021 £
Donations payable	<u>£116,816</u>	<u>£40,000</u>

16 RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following assets and unexpended balances of donations and grants held on trust to be applied for specific purposes:

	Albania Fund £	Heritage Centre Fund £	Total £
At 1 July 2021	23,517	2,838,926	2,862,443
Income	210	341	551
Expenditure	-	(144,999)	(144,999)
At 30 June 2022	<u>£23,727</u>	<u>£2,694,268</u>	<u>£2,717,995</u>

Prior Year

	Albania Fund £	Heritage Centre Fund £	Total £
Transferred from Charitable Trust (note 23)	23,517	2,964,503	2,988,020
Income	235	175	410
Expenditure	(235)	(125,752)	(125,987)
At 30 June 2021	<u>£23,517</u>	<u>£2,838,926</u>	<u>£2,862,443</u>

Albania Fund

This fund comprises funds raised specifically towards the Congregation's mission in Albania.

Heritage Centre fund

This fund was established in 2006 from a donation from the Little Company of Mary Generalate in order to establish a Heritage Centre in Nottingham. In 2009, donations amounting to £2,695,600 were received from the Congregation's Provinces/Regions in Australia, Ireland, Korea, New Zealand, Southern Africa and United States of America to help finance the development of the Heritage Centre.

This Heritage Centre was officially opened on 10 February 2010 and is used to present artefacts and memorabilia relating to the foundress of the Little Company of Mary, Venerable Mary Potter.

17 DESIGNATED FUND

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	As at 1 July 2021 £	Transfer from Charitable Trust £	New Designations £	Utilised/ Released £	As at 30 June 2022 £
Current Year					
Sisters' retirement fund	8,000,000	-	-	(1,600,000)	6,400,000
Congregation giving fund	1,589,171	-	-	(300,159)	1,289,012
	<u>£9,589,171</u>	<u>£-</u>	<u>£-</u>	<u>£(1,900,159)</u>	<u>£7,689,012</u>
	<u><u>£</u></u>	<u><u>£</u></u>	<u><u>£</u></u>	<u><u>£</u></u>	<u><u>£</u></u>
Current Year					
Sisters' retirement fund	-	8,000,000	-	-	8,000,000
Congregation giving fund	-	1,694,541	500,000	(605,370)	1,589,171
	<u>£-</u>	<u>£9,694,541</u>	<u>£500,000</u>	<u>£(605,370)</u>	<u>£9,589,171</u>
	<u><u>£</u></u>	<u><u>£</u></u>	<u><u>£</u></u>	<u><u>£</u></u>	<u><u>£</u></u>

The sisters' retirement fund consists of monies which the trustees have set aside in order to provide for the sisters in their retirement. The fund value has been calculated using actuarial principles and following the re-calculation, £1,600,000 has been released to general funds. In the future, consideration will be given by the trustees over the best use of these funds and specifically whether they should be re-designated to the Congregation giving fund

The Congregation giving fund consists of monies set aside by the trustees, the investment income on which is to be applied toward future grants and donations.

18 TANGIBLE FIXED ASSETS FUND

	Total 2021 £	Total 2021 £
At 1 July 2021	2,838,138	2,929,193
Net movements in year	(42,185)	(91,055)
At 30 June 2022	<u>£2,795,953</u>	<u>£2,838,138</u>
	<u><u>£</u></u>	<u><u>£</u></u>

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 June 2022 are represented by:

	General funds	Tangible Fixed Assets funds	Designated funds	Restricted funds	Total 2020
	£	£	£	£	£
Tangible fixed assets	-	2,795,953	-	1,679,549	4,475,502
Investments	3,323,839	-	7,689,012	-	11,012,851
Net current assets	99,859	-	-	1,038,446	1,138,305
Creditors due after one year	(116,816)	-	-	-	(116,816)
Total net assets	£3,306,882	£2,795,953	£7,689,012	£2,717,995	£16,509,842

Fund balances at 30 June 2021 are represented by:

	General funds	Tangible Fixed Assets funds	Designated funds	Restricted funds	Total 2020
	£	£	£	£	£
Tangible fixed assets	-	2,838,138	-	1,785,375	4,623,513
Investments	2,321,839	-	9,589,171	-	11,911,010
Net current assets	430,665	-	-	1,077,068	1,507,733
Creditors due after one year	(40,000)	-	-	-	(40,000)
Total net assets	£2,712,504	£2,838,138	£9,589,171	£2,862,443	£18,002,256

The total unrealised gains as at 30 June 2022 constitute movements on revaluations of investments are as follows:

	2022 £	2021 £
Unrealised (losses)/gains on investments	£(181,202)	£716,957
Reconciliation of movements in unrealised gains/(losses)		
Unrealised gains at 1 July 2021	716,957	-
Transferred from Charitable Trust (note 23)	-	1,074,577
Less: in respect of disposals in the year	-	(1,074,577)
Net (losses)/gains arising on revaluation in the year	(898,159)	716,957
Unrealised (losses)/gains at 30 June 2022	£(181,202)	£716,957

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2022

20 SUMS HELD AS CUSTODIAN TRUSTEE

	2022	2021
	£	£
Amount held in a bank account, as custodian trustee, on behalf of a third party	£-	£26,739

The above sum was held in a bank account in the name of the charity but designated in respect of the individual on whose behalf the trustees were acting as agent. The balance was transferred to the executors of the of the individual's estate in the year.

21 ULTIMATE CONTROL

The charity, which is constituted as a trust, was controlled throughout the period by the Little Company of Mary Sisters England CIO by virtue of the fact that the Congregational Leader appoints the trustees. The Congregation does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Congregation are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Congregation's charitable activities.

22 LIABILITY OF THE MEMBER TO CONTRIBUTE TO THE ASSETS OF THE CIO IF IT IS WOUND UP

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.

23 TRANSFER OF ASSETS FROM CHARITABLE TRUST

The Little Company of Mary England Sisters CIO, a Charitable Incorporated Organisation (CIO) (the charity), was registered as a charity on 27 November 2019. The trustees of the charity were also trustees of Trust Property Held In Connection With the Little Company of Mary (“Little Company of Mary Charitable Trust”) (registered charity number 233137) (the Charitable Trust).

With effect from midnight on 30 June 2020, the activities, assets and liabilities of the Charitable Trust were transferred to the charity in accordance with a legal deed of transfer.

The net assets transferred at that date comprised the following:

	2022	2021
	£	£
Tangible fixed assets (note 11)		
Cost	-	6,326,107
Accumulated depreciation	-	(1,505,232)
	-	4,820,875
Fixed asset investments (note 12)		
Market value of listed investments	-	10,887,524
Cash held by investment managers	-	398,311
	-	11,285,835
Cash at bank and in hand	-	1,509,740
Debtors: amounts due within one year	-	59,202
Creditors : amounts due within one year	-	(294,332)
	-	1,274,610
Creditors: amounts due after more than one year	-	(130,000)
	-	(424,332)
	£-	£17,251,320

The net assets transferred at midnight on 30 June 2020 represented the following funds:

	£	£
Unrestricted Funds:		
General Fund	-	1,639,566
Designated Funds (note 17)	-	9,694,541
Tangible Fixed Assets Fund (note 18)	-	2,929,193
Restricted Funds (note 16)	-	2,988,020
	£-	£17,251,320

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

England & Wales - Charity number 1186617

Accounts

**LITTLE COMPANY OF MARY SISTERS
ENGLAND CIO
(Registered Charity Number 1186617)**

TRUSTEES' REPORT AND ACCOUNTS

30 JUNE 2021

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

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LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees (all appointed as first trustees)	Sister Jeannette Connell Sister Anita MacDonald Sister Margaret Service
Provincial Leader	Sister Jeannette Connell
Bursar	Mrs E Frost
Principal Office	Provincial House 93 Gunnersbury Avenue Ealing London W5 4LR
Governing Instrument	CIO Constitution dated 27 November 2019
Charity Registration Number (England and Wales)	1186617
Accountant	David Clark FCA 1 st Floor Church House 61 College Road Bromley BR1 3QG
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal Bankers	The Royal Bank of Scotland plc PO Box 412 2/63 Threadneedle Street London E14 5HP
Investment Managers	Barclays Investment Solutions Limited 1 Churchill Place London E14 5HP CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT

The trustees present their report together with the accounts of the Little Company of Mary Sisters England CIO, a Charitable Incorporated Organisation (CIO) (the “charity” or the “CIO”) for the year to 30 June 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 22 to 26 of the attached accounts and comply with the charity’s trust deed, the Charities Act 2011 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).

INTRODUCTION

The Little Company of Mary (the Congregation) is an international Catholic apostolic religious congregation of women founded in Nottingham by Mary Potter, an Englishwoman, in 1877. The Congregation is divided into a number of individual provinces and regions. The general administration is located in London.

The charity was dormant until 1 July 2020. With effect from midnight on 30 June 2020, in accordance with the legal transfer of undertakings and a resolution of the trustees, the activities, assets and liabilities of the Trust Property Held In Connection With The Little Company Of Mary (The Little Company of Mary Charitable Trust) (Charity Registration Number 233137) (the Charitable Trust), through which the sisters formerly conducted their affairs in England and Wales, were transferred to the Little Company of Mary Sisters England CIO. The accounts accompanying this report are the accounts of the CIO through which the assets of the Congregation in the United Kingdom have been administered since 1 July 2020.



MISSION

The Little Company of Mary Sisters England CIO enables the sisters of the Congregation to carry out their principal ministry of caring for the suffering, the sick and dying, especially the dying. The original inspiration came to Mary Potter after a serious illness during which time she found she could not pray and during which she saw the need for a group of women in the Church who would minister to and pray for the sick and dying, especially in their hour of need.

The charity aims to support the religious and other charitable works carried on by members of the Congregation and to care for those members throughout their lives with the Congregation. These ministries of the sisters of the Congregation, all of which benefit numerous members of the general public, fall into the following main areas:

◆ **Social and pastoral work**

Many members of the Congregation are involved in various forms of social or pastoral work, including care and support of the elderly, sick and dying, homeless, and people with special needs. They also provide family support and chaplaincy in hospitals.

◆ **Overseas missionary work**

The charity helps to support a Palliative Care Team working in healthcare and social and pastoral fields in Albania.

◆ **Heritage Centre, Nottingham**

The International Congregation has established a Heritage Centre in Nottingham to house the artefacts and memorabilia relating to the Congregation’s Foundress, Mary Potter and to promote the Charism and Spirituality of the Little Company of Mary. This ministry is on behalf of the international Congregation.

◆ **Care of members of the Congregation**

By caring for members of the Congregation, the charity ensures that the sisters’ ministry continues for as long as possible. As the Covid-19 pandemic continued through the financial year much of the above ministry was curtailed and more support given via telephone.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

GOVERNANCE, STRUCTURE AND MANAGEMENT

Background

The CIO is governed by a constitution dated 14 November 2019 and is registered with the Charity Commission in England and Wales, (Charity Registration No. 1186617).

The Congregational Leader appoints the Region Leader/trustees, and all are members of the Congregation.

The Region Leader, the Assistant Region Leader, the Region Treasurer and local leaders administer the Region. The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts and brief biographical details on each of the trustees in office during the year to 30 June 2021 are given below:

Trustees

Sister Jeannette Connell – Region Leader

Sister Jeannette entered the Congregation of the Little Company of Mary in 1969, having completed her general nursing and midwifery training. She obtained a diploma in Clinical Nurse Education in 1981, completed a management course in 1987, and obtained a diploma in Palliative Care in 1988. Sister Jeannette has worked as a Registered Nurse in the National Health Service and in hospitals sponsored by the English Province and was Matron of the Convent Hospital in Nottingham for 10 years until 1998. She served as a Provincial Councillor and trustee from 1985 to 1990 and 1995 to 2000. She was Provincial Leader of the English Province from 2000 to 2005 and served as a trustee of the Little Company Of Mary Sisters England CIO during that period. She was elected as Congregational Leader in 2005 for a period of 6 years, completing the term in 2011. In July 2011, she was appointed as Provincial Leader for a period of five years and was re-appointed as Province Leader for a further five years from July 2016 and currently serves as a trustee. On 1 January 2020 she was appointed Region Leader.

Sister Anita MacDonald – Assistant Region Leader

Sister Anita joined the Little Company of Mary in 1963. She qualified in General, Psychiatry and District Nursing and worked in England. She was Formation Directress for 10 years in the UK Province and in 1993 with two other sisters founded a mission to assist the sick and dying in Albania which is now managed by Albanian doctors and nurses. Sister Anita has served as Province Councillor and was elected as Congregational Councillor from 1999 to 2005. She is currently a member of the Heritage Centre community and is involved in the ministry of Spiritual Direction and is local facilitator for the Little Company of Mary Associates in Nottingham. Sister Anita was appointed Assistant Region Leader on 1 January 2020 and serves as a trustee.

Sister Margaret Service

Sister Margaret joined the Little Company of Mary in England in 1961, and qualified in 1969 as a State Registered Nurse. She undertook further nursing studies at the Royal College of Nursing and qualified as a Clinical Nurse Teacher in 1974. She worked and taught within NHS Hospitals for ten years until a further appointment as Matron of St Raphael's Hospital Edinburgh, a small general hospital run by the Little Company of Mary. During this time, she did a Nursing Officers Management course at Queen Margaret College. In 1986 she obtained a post graduate diploma in Pastoral Theology from Heythrop College, University of London, thereafter, joining the Prison Service as a full time Chaplain. She served as a Province Councillor and trustee from 2000 to 2005. In 2006 she returned to Edinburgh as a local leader for a small group of older Little Company of Mary sisters, her role being mainly administration and pastoral care. In 2011 she was again appointed as a Province Councillor and trustee and currently lives in Nottingham having joined the team at the Little Company of Mary Heritage Centre. Sister Margaret serves as a trustee.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions 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 and the applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet and consult regularly to review developments with regard to the charity or their activities and make any important decisions. When necessary, the trustees seek advice and support from professional advisers including property consultants, investments 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 Congregation or senior staff.

Key management personnel

The trustees consider that the key management of the charity consist of themselves and in particular the Region Leader and Assistant Region Leader to whom much of the running of the day-to-day running operation devolves. As religious sisters, under a vow of poverty, the trustees do not receive remuneration.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

In line with the requirement for trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks the charity currently faces in Britain. They have reviewed the measures already in place, or needing to be put in place, to deal with them. In addition to the risk faced because of the Covid-19 pandemic, the trustees have identified five main areas where risks may occur:

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

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

Operational looks at the risks inherent in the charity's activities including the members engaging in inappropriate activities, the unsuitability of buildings, poor maintenance, shortcomings in the services provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

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

Reputational looks at possible damage to the Congregation's reputation and/or charity's reputation.

Laws, regulations, external and environment looks at the effects of government policies, the consequences of non-compliance with laws and regulations.

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

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

- ◆ The trustees are aware that there is both a moral and legal obligation to care for the older members. None of the sisters have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid Compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the sisters. Key elements of the management of this risk are: (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund, the value of which has been based on actuarial principles; and (b) ensuring that processes are in place to review regularly the ministries and needs of individual sisters encouraging those who need it to take on less demanding ministries and for identifying those who need extra care and help.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

- ◆ Operationally the charity works with vulnerable adults, including older people, and occasionally with children. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serve. This means that sisters engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Advisory Service (CSAS). One of the sisters is responsible for ensuring this policy is adhered to in respect to all sisters, employees and volunteers are kept informed about good practice in work and ministry.
- ◆ The charity donates significant sums in support of the wider Congregation and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Congregation. Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.
- ◆ The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet twice a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs.
- ◆ The charity runs a care facility for its own sisters at Westcliffe-on-Sea. As with any such operation, there are continual regulatory changes which must be complied with and financial pressures such as the fact that costs tend to rise with need to provide staff cover for 24 hours. The trustees consult with Healthcare Management Trust, a charity specialising in the provision of hospital and elderly care with a Christian ethos, to support the running of the facility.

PUBLIC BENEFIT

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

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND ACHIEVEMENTS

As stated above under "Mission", the activities of the charity during the year can be divided into four principal areas: caring for members of the Congregation, the social and pastoral work of the sisters, the support of overseas missionary work and the operation of the Mary Potter Heritage Centre. Each of these is considered in turn below:

Care of members of the Congregation

In common with many religious congregations in Great Britain, the age profile of the members of the Congregation is increasing as existing members grow older. There are no new members in the English Region.

The age of the sisters ranges from 74 to 99 years. The average age is 86 years. There were 20 sisters in the Region at the beginning of the financial year. The Congregation has an obligation, both moral and legal, to provide care for its members, none of whom have resources of their own and all of whom have devoted their lives to prayer and the care of the sick, the elderly, poor and marginalised in society. As the age profile of the Congregation increases so too does the need to provide increasingly expensive care for the sisters.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND ACHIEVEMENTS (continued)

Care of members of the Congregation (continued)

Those sisters requiring additional care live in Westcliff on Sea. They benefit from living in their own religious community setting, where they can continue their own individual and community prayer for the needs of the world and especially for the sick and dying. A Care Manager and staff support and care for the sisters over the 24-hour period. The trustees know that the number requiring care will increase. Therefore, the trustees of the Little Company of Mary Sisters England CIO give careful consideration to the impact of this on the work of individual members of the Congregation, the property requirements of the Congregation and the financial implications. In this regard, the aims of the trustees of the CIO over the forthcoming years include:

- ◆ Ensuring all members of the Congregation receive the high level of care they require to provide them with the quality of life they should rightly expect;
- ◆ Reviewing properties used as community houses and assessing their suitability as homes for the elderly and frail. Those identified as being unsuitable will be adapted or, if this proves impossible, sold and replaced with properties more appropriate for the elderly;
- ◆ Enabling all members of the Congregation to continue with their individual ministries for as long as possible.

Social and pastoral work

The following are examples of the social and pastoral work undertaken by individual sisters:

- ◆ Parish visiting and pastoral support to parishioners;
- ◆ Responding to requests for prayer from individuals and praying with the housebound;
- ◆ Eucharistic ministers in parishes, individuals at home and care homes;
- ◆ One sister volunteers with a hospital chaplaincy team;
- ◆ Bereavement, counselling support;
- ◆ Spiritual direction, and hosting and guiding prayer groups;
- ◆ Ministering in the Mary Potter Heritage Centre for the Congregation, facilitating individuals and groups from parishes, schools and other interested parties in Nottingham and surrounds;
- ◆ Planning and facilitating heritage pilgrimages for local and international groups;
- ◆ Two sisters serve as trustees on a grant giving charity in Nottingham;
- ◆ One sister is the safeguarding representative for the Region;
- ◆ Developing the associate members of the Little Company of Mary; and
- ◆ The sisters also provide accompaniment to many lay people who wish to embrace our charism and spirituality.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND ACHIEVEMENTS (continued)

Social and pastoral work (continued)

The aims of the trustees in this area include:

- ◆ Enabling members of the Congregation to carry out meaningful social and pastoral work within the community after assessing their skills and the needs of the local area;
- ◆ Encouraging and motivating members to work with and assist the poor, elderly and marginalised;
- ◆ Wherever possible ensuring sisters are remunerated for such work by way of salary or stipend. Such income is donated to the charity and thereby ensures that the work of the sisters and charity may continue and develop.

Overseas missionary work

In 2003, the Little Company of Mary handed over responsibility for the palliative care service in Korce to the local staff. The Little Company of Mary left Albania in June 2004. At the end of 2004 the Albanian staff became recognised as an NGO.

The charity continues, and will continue, to support the mission in Korce, Albania as the staff continue to develop their care of the dying in Korce and in many areas in Albania and beyond. Their work to care for the dying and to offer symptom control to cancer sufferers increases year on year. The clinic continues to be viewed as a 'place of excellence' by the Albania authorities. Most of the palliative care service takes place in patients' own homes in Korce and the surrounding villages. Their outreach continues to expand and therefore they pass on the practice of good palliative care.

The team maintains the Congregation's ethos and values both in their work in the clinic and in the community. They continue to view education of others in palliative care to be of the utmost importance. To increase the knowledge of other healthcare professionals strengthens cooperation and therefore enhances the care that patients receive and assists in earlier diagnosis.

The staff continue to offer training to family members, especially in end-of-life care for their loved ones. Day care is now provided for cancer patients and the dying. This provision is appreciated and is modelling the development of palliative care in Albania. The staff are very aware of their responsibility for their own education and development and attend workshops in other parts of Europe.

The charity is committed to the provision of funding to support the palliative care ministry in Albania. As the ministry continues to expand there was a need to increase staff. We continue to send the monthly amount of €7,200. In addition, the charity is committed to a yearly visit for ongoing support, to monitor the running of the clinic and the development of the service. The clinic is well maintained, and the staff are aware of the need for repairs. The visit was not possible in 2020/2021 because of the Covid-19 pandemic and the related travel restrictions.

In summary, the palliative care team consists of 20 paid members of staff: They are now recruiting volunteers to support the ministry.

Statistics for 2020/21:

- ◆ 290 NEW REFERRALS
- ◆ 2,608 HOME VISITS
- ◆ 2,150 PHONE CALLS
- ◆ 264 DAY HOSPICE

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND ACHIEVEMENTS (continued)

Overseas missionary work (continued)

◆ 107 CHEMOTHERAPY SESSIONS

The trustees receive a monthly financial and narrative report from the Manager, showing that the funds and equipment provided by the charity are used for the purposes intended.

We continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as supporting the growth of the mission in Albania. During the financial year we were invited by our Congregational Leadership to support the ministry in Harare, Zimbabwe, by financially supporting the development of the hospital for the benefit of the local community.

Heritage Centre, Nottingham

The English Region has been entrusted with the artefacts and memorabilia relating to the Congregation's Foundress, Mary Potter, and its heritage. This ministry is on behalf of the international Congregation. Due to the restrictions of lockdown during the Covid pandemic there were no visitors to the Heritage Centre during the financial year. We hope to re-open the centre in March 2022. The part time Administrative Secretary was furloughed during the whole of this financial year.

Volunteers

Throughout the year, the members of the Congregation give their time to assist the poor and marginalised and those in need. The majority of members receive no financial reward for this work which contributes to the overall achievement of the charity's objectives. While all the sisters contribute to the mission of the Congregation, 9 sisters are specifically involved in the ministries listed opposite. Some sisters are involved in one or more of the ministries listed. In addition, members are involved in administering the work of the Congregation and charity - without their contribution, the charity would not be able to function as effectively or fully as it does. Details of the areas in which members gave their time are shown in the table opposite. All sisters are supportive of the people in local parishes	Area	Number of sisters involved
	Parish work and Eucharistic ministry	9
	Volunteer with Hospital chaplaincy (voluntary)	1
	Counselling and spiritual direction	2
	Heritage Centre	2 full time
	Bereavement support	1

Protection of Children and Vulnerable Adults

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. All sisters who are in any kind of ministry in Great Britain having to obtain clearance from the Disclosure and Barring Service (DBS). The trustees have been engaged in the consultation process for the new Safeguarding Structures to be established for Religious in England and Wales. The new structure is not yet fully implemented.

We are currently under the jurisdiction of the Westminster Roman Catholic Diocese for all matters relating to Safeguarding. Sister Margaret Service is the Safeguarding Representative for the Region.

Training days for trustees

In 2020/21 no face-to-face meetings took place for national Training for safeguarding. Two sisters undertook safeguarding training in Nottingham Diocese.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

ACTIVITIES, SPECIFIC OBJECTIVES, RELEVANT POLICIES AND ACHIEVEMENTS (continued)

Grants, donations and support of missionary work and ministry

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Congregation as appropriate. In the main, the charity supports works of the Congregation in overseas countries especially Albania and Zimbabwe and Manila.

Whilst the trustees give occasional support to United Kingdom organisations whose work is within the objects of the charity, it does not regard itself as a grant making entity and applications for grants and donations are not invited. Donations, however, are made to much needed services for the poorest and marginalised people in society in line with Mary Potter's vision of working with those in desperate need.

Investment policy

The charity's investments were managed by Barclays Investment Solutions and subsequently investments were transferred to be managed by CCLA. 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 manager's view of the market prospects in the medium term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised 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 Catholic Church.

The performance of the portfolio and the investment strategy are reviewed by the trustees who meet with the investment managers every six months.

FINANCIAL REVIEW AND RESERVES POLICY

Results for the year

A summary of the results of the year to 31 June 2021 can be found on page 17 of this report and accounts.

Total income for the year to 30 June 2021 before the transfer of net assets from the charitable trust amounted to £594,436 (period from 27 November 2019 to 30 June 2020 - £nil). It included investment income of £329,865 and voluntary income of £257,432 (period from 27 November 2019 to 30 June 2020 - £nil). This latter category includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid.

The transfer (or donation) of the assets and liabilities from the Charitable Trust at midnight on 30 June 2020 increased income by £17,251,320 to give total income of £17,845,756 (period from 27 November 2019 to 30 June 2020 - £nil).

Expenditure for the year to 31 June 2021 amounted to £1,488,869 (period from 27 November 2019 to 30 June 2020 - £nil). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

FINANCIAL REVIEW AND RESERVES POLICY (continued)

Results for the year (continued)

Expenditure connected with the Heritage Centre was £140,228 (period from 27 November 2019 to 30 June 2020 - £nil) including depreciation of £106,307 (period from 27 November 2019 to 30 June 2020 - £nil) on the Heritage Centre property and fixtures and fittings. Donations totalled £605,605 (period from 27 November 2019 to 30 June 2020 - £nil) which included a number of committed amounts to charitable projects.

Net income, after accounting for the transfer from the Charitable Trust and before investment gains for the year amounted to £16,356,887 (period from 27 November 2019 to 30 June 2020 - £nil). Investment gains were £1,645,369 (period from 27 November 2019 to 30 June 2020 - £nil). The overall result was net income of £18,002,256 (period from 27 November 2019 to 30 June 2020 - £nil).

Investment performance

As previously stated, the charity's investments were managed by Barclays Investment Solutions Limited before they were transferred to CCLA. At 30 June 2021, the investments had a market value of £11,911,010 (2020 - £nil).

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them. Further details of the investment portfolio are included in note 13 to the attached accounts. During the year to 30 June 2021, the charity's investments achieved an annualised income yield of 2.89%, and an annualised capital return of 14.43%. Returns are broadly in line with the averages quoted for the charity sector over the year and the trustees are therefore satisfied with investment performance.

Reserves policy

The charity carries out a diverse range of activities and is responsible for the care and support of sisters whose average age is increasing and whose needs are changing. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to up to four years' expenditure at any one time. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income and will allow the trustees to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

Balance sheet reserves stood at £18,002,256 (2020 - £nil).

The tangible fixed assets fund totalled £2,838,138 (2020 - £nil), comprising the tangible fixed assets used to support the work of the sisters, excluding those assets relating to the Heritage Centre which are financed from restricted funds.

£8,000,000 has been set aside to provide for the sisters in their retirement, none of whom have resources of their own. The calculations, based on actuarial methods, indicated that this amount is needed to be set aside in order to provide for the sisters and for the increasingly expensive health and care costs which become inevitable as people grow older.

A further £1,589,171 (2020 - £nil) has been set aside as a Congregation Giving Fund to be applied to future grants and donations.

Of the remaining funds, £2,862,443 (2020 - £nil) are restricted funds comprising funds held for the overseas mission in Albania of £23,517 (2020 - £nil) and £2,838,926 (2020 - £nil) in respect of the Heritage Centre Fund being the property purchased and refurbished for the Centre and other monies received specifically for its establishment.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

TRUSTEES' REPORT (continued)

FINANCIAL REVIEW AND RESERVES POLICY (continued)

Financial position (continued)

Funds available to support the work of the sisters in the future, in particular the support of the Congregation's missionary and healthcare work, are shown as general funds on the balance sheet and amounted to £2,712,504 (2020 - £nil). This figure needs to be considered in the light of ongoing annual expenditure from unrestricted funds of approximately £1.5m (2020 - £nil), the increasing age profile of the sisters and the need for the charity to continue to support the work of the Congregation, both in this country and overseas and the fact that the charity is sustaining annual operating deficits. The trustees are of the opinion that the free reserves are adequate but not excessive and in line with the above policy.

FUTURE PLANS

In the CIO, we will continue to collaborate across the Congregation and continue to review our Mission and Ministry as well as appropriate Leadership structures for the future.

The trustees do not anticipate any significant change to the activities formerly undertaken through the predecessor entity, the charitable trust over the next two to five years. It is their intention to continue to meet the following objectives:

- ◆ To monitor the needs of the sisters as they grow older and, if necessary, adapt the charity's plans in respect of property needs and the provision of care to elderly members.
- ◆ To continue to care for the sisters and to enable them to carry out their pastoral work and ministry. Focus will continue to be given to assisting and caring for the elderly, the poor and the marginalised and reaching out to as many as possible.
- ◆ To support the Congregation's work overseas and for the trustees to satisfy themselves that the funds are applied for their intended purpose.
- ◆ To consider setting aside further designated funds to earmark monies to be used to finance an enhanced grant-making programme.

EMPLOYEES, VOLUNTEERS AND MEMBERS OF THE CONGREGATION

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

Signed on behalf of the trustees:

Jeannette Connell

Trustee

Approved by the trustees on: 3 November 2021

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO

Opinion

We have audited the accounts of the Little Company of Mary Sisters England CIO (the 'charity') for the year to 30 June 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 30 June 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 statement of trustees' responsibilities, 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 one of the trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of those charged with governance and review of minutes of trustees' meetings.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

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

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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 those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

We did not identify any irregularities, including fraud.

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LITTLE COMPANY OF MARY ENGLAND SISTERS CIO (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 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

8 November 2021

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	Period from 27 November 2019 to 31 June 2020 Total funds £
INCOME FROM:					
Donations and legacies	1	257,157	275	257,432	-
Investments and bank deposits	2	329,730	135	329,865	-
Other sources					
. Coronavirus Job Retention Scheme		7,139	-	7,139	-
		<u>594,026</u>	<u>410</u>	<u>594,436</u>	<u>-</u>
Transfer from the Little Company of Mary Charitable Trust, a Charitable Trust (registered charity number 233137)	23	14,263,300	2,988,020	17,251,320	-
Total Income		<u>14,857,326</u>	<u>2,988,430</u>	<u>17,845,756</u>	<u>-</u>
EXPENDITURE ON:					
Raising funds					
- Investment management fees		33,740	-	33,740	-
Charitable activities					
- Support of members of the Congregation and their ministry	3	709,296	-	709,296	-
- Donations	4	605,370	235	605,605	-
- Heritage Centre	5	14,476	125,752	140,228	-
Total Expenditure		<u>1,362,882</u>	<u>125,987</u>	<u>1,488,869</u>	<u>-</u>
Net income before gains on investments		13,494,444	2,862,443	16,356,887	-
Other recognised gains and losses					
Net gains on investments		1,645,369	-	1,645,369	-
Net movement in funds for the year	7	15,139,813	2,862,443	18,002,256	-
Reconciliation of funds:					
Total funds brought forward at 1 July 2020		-	-	-	-
Total funds carried forward at 30 June 2021		<u><u>£15,139,813</u></u>	<u><u>£2,862,443</u></u>	<u><u>£18,002,256</u></u>	<u><u>£-</u></u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

STATEMENT OF FINANCIAL ACTIVITIES (continued)

The table below shows the comparative results of the Charitable Trust.

	CIO	Charitable Trust
	Year to 30 June 2021 £	Year to 30 June 2020 £
Income	594,436	956,116
Expenditure	(1,488,869)	(1,934,754)
	<u>(894,433)</u>	<u>(978,638)</u>
Transfers	17,251,320	(17,251,320)
	<u>16,356,887</u>	<u>(18,229,958)</u>
Net expenditure	16,356,887	(18,229,958)
Net investment gains	1,645,369	481,774
	<u>18,002,256</u>	<u>(17,748,184)</u>
Net movement in funds	<u>18,002,256</u>	<u>(17,748,184)</u>

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

The information for the Charitable Trust includes its activities until the date of transfer to the CIO on 30 June 2020.

With effect from midnight on 30 June 2020, the activities, transactions, assets and liabilities (with the exception of one freehold property) of Little Company of Mary Charitable Trust (Charity Registration Number: 233137) were transferred to the CIO (see note 23). The CIO's activities commenced on 1 July 2020.

During the period from 27 November 2019 to 30 June 2020, the CIO was dormant and it had no income or expenditure. Therefore, a distinction between unrestricted and restricted funds is not relevant for this period and has not been made in these financial statements.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

AS AT 30 JUNE 2021

BALANCE SHEET

	Notes	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible fixed assets	11			4,623,513			-
Investments	12			11,911,010			-
				<u>16,534,523</u>			<u>-</u>
CURRENT ASSETS							
Debtors	13	119,645					-
Cash at bank and in hand		1,645,234					-
				<u>1,764,879</u>			<u>-</u>
CURRENT LIABILITIES							
Creditors: amounts falling due within one year	14	(257,146)					-
							<u>-</u>
NET CURRENT ASSETS							
				1,507,733			-
				<u>18,042,256</u>			<u>-</u>
CREDITORS: amounts falling due after one year	15			(40,000)			-
				<u>£18,002,256</u>			<u>£-</u>
REPRESENTED BY:							
FUNDS AND RESERVES							
Restricted funds	16			2,862,443			-
Unrestricted funds							
- Designated funds	17	9,589,171					-
- Tangible fixed assets fund	18	2,838,138					-
- General fund		2,712,504					-
				<u>15,139,813</u>			<u>-</u>
NET CURRENT ASSETS				<u>£18,002,256</u>			<u>£-</u>

Approved by the trustees and signed on their behalf by:

Jeannette Connell

Trustee

Approved by the trustees on 3 November 2021

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

STATEMENT OF CASH FLOWS

	Notes	Year to 30 June 2021 £	Period from 27 November 2019 to 30 June 2020 £
Cash flows from operating activities			
Net cash used in operating activities	A	(1,155,576)	-
Cash flows from investing activities			
Investment income and interest received		270,876	-
Purchase of investments		(22,592,299)	-
Proceeds from disposal of investments		23,214,182	-
Net cash provided by investing activities		892,759	-
Change in cash and cash equivalents in the year		(262,817)	-
Cash and cash equivalents transferred from the Charitable Trust (note 23)	B	1,908,051	-
Cash and cash equivalents at 30 June 2021	C	£1,645,234	£-
Notes to the cash flow statement for the year to 30 June 2021			
		2021 £	2021 £
A. Reconciliation of net income for the year to net cash used in operating activities			
Net income for the year (as per the Statement of Financial Activities)		18,002,256	-
Adjustments for			
Depreciation charge		197,362	-
Gains on investments		(1,645,369)	-
Transfer from Charitable Trust (note 23)		(17,251,320)	-
Investment income and interest receivable		(329,865)	-
Increase in debtors		(1,454)	-
Decrease in creditors		(127,186)	-
Net cash used in operating activities		£(1,155,576)	£-
B. Analysis of cash and cash equivalents transferred from the Charitable Trust (note 23)			
Cash at bank and in hand		1,509,740	-
Cash held by investment managers		398,311	-
Total cash and cash equivalents		£1,908,051	£-

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

STATEMENT OF CASH FLOWS (continued)

	30 June 2021	30 June 2020
	£	£
C. Analysis of cash and cash equivalents		
Cash at bank and in hand	<u>£1,645,234</u>	<u>£-</u>
Total cash and cash equivalents	<u>£1,645,234</u>	<u>£-</u>

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

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

PRINCIPAL ACCOUNTING POLICIES

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 30 June 2021 with comparative figures provided in respect to the period from the date of establishment of the CIO on 27 November 2019 to 30 June 2020.

The charity was incorporated on 27 November 2019. It remained dormant until 30 June 2020. With effect from midnight on 30 June 2020, the activities, transactions, assets and liabilities of Little Company of Mary Charitable Trust were transferred to the charity.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ estimating legacies receivable;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ determining the amounts to be designated for specific purposes including estimating the Sisters' retirement fund, created in order to provide for the continuing care of the members of the Congregation; and
- ◆ estimating the income and expenditure flows and financial position of the charity for the purposes of assessing going concern.

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.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 June 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).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

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 on bank deposits and other income 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.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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 been transferred to the charity.

Investment income is recognised once the dividend has been declared and notification has been received of the dividend due.

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

Income from the Coronavirus Job Retention Scheme is credited to the statement of financial activities once the charity is entitled to the funding and when the amount receivable has been quantified.

The transfer of funds from Little Company of Mary Charitable Trust (the Charitable Trust) represents the net book value of the relevant assets and liabilities measured at fair value and is included within total income in accordance with FRS 102.

Expenditure recognition

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

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

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This comprises investment management fees.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Expenditure recognition (continued)

- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect to the support of members of the Congregation and enabling their ministry including governance costs.
- ◆ Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the year end.

The provision of a multi-year grant is recognised where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable. Such grants are recognised at their discounted present value where the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

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

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

All expenditure on support and governance has been attributed directly to the charitable activity of supporting members of the Congregation as, in the opinion of the trustees, any amounts in respect to provision of grants and donations and the operation of the Heritage Centre would be minimal.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

- ◆ Freehold land and buildings
Freehold land and buildings purchased, by the predecessor charitable trust, on or prior to 1 January 1998 are included in the accounts at a valuation determined by the trustees as at that date with professional assistance, based on replacement cost for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to these properties was deemed its cost. Land and buildings purchased on or after 1 January 1998 are shown on the balance sheet at cost.

Land and buildings comprise:

- ◇ Non-specialised land and buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such land and 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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Tangible fixed assets (continued)

- ◇ Specialised buildings comprise the Congregation's the convent situated at Westcliffe, where elderly and infirm sisters are cared for, and the Heritage Centre at Nottingham. Depreciation is provided at the following rates per annum based on cost in order to write off each asset over their useful economic life:
 - ◇ Buildings 2% per annum
 - ◇ Improvements 6.67% per annum.

Assets under construction, if any, are not depreciated until they are declared complete and have been brought into use.

- ◆ Furniture and equipment
Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a five-year period, based on the estimated useful life of the asset, on a straight-line basis.
- ◆ Motor vehicles
Motor vehicles are capitalised and depreciated over a four-year period, on a straight-line basis, in order to write off the cost of each asset over its 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 is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

YEAR TO 30 JUNE 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Fund structure

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Services provided by members of the Congregation

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

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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS

1 INCOME FROM: DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2021	Period from 27 November 2019 to 30 June 2020 Total
	£	£	£	£
Sisters' salaries and pensions donated under Gift Aid or Deed of Covenant	219,440	-	219,440	-
Donations and legacies	37,717	275	37,992	-
	<u>£257,157</u>	<u>£275</u>	<u>£257,432</u>	<u>£-</u>

2 INCOME FROM: INVESTMENTS AND BANK DEPOSITS

	Unrestricted Funds	Restricted Funds	Total 2021	Period from 27 November 2019 to 30 June 2020 Total
	£	£	£	£
Income from listed investments	329,600	-	329,600	-
Bank interest	130	135	265	-
	<u>£329,730</u>	<u>£135</u>	<u>£329,865</u>	<u>£-</u>

**3 EXPENDITURE ON: SUPPORT OF MEMBERS OF THE CONGREGATION AND THEIR
MINISTRY**

	Unrestricted Funds	Restricted Funds	Total 2021	Period from 27 November 2019 to 30 June 2020 Total
	£	£	£	£
Premises and equipment costs	15,475	-	15,475	-
Sisters' living and ministry expenses	524,676	-	524,676	-
Other support costs	151,631	-	151,631	-
Governance costs (note 6)	17,514	-	17,514	-
	<u>£709,296</u>	<u>£-</u>	<u>£709,296</u>	<u>£-</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 EXPENDITURE ON: DONATIONS AND GRANTS

	Unrestricted	Restricted	Total	Period from 27 November 2019 to 30 June 2020
	Funds	Funds	2021	Total
	£	£	£	£
Donations and grants payable to institutions				
The Palliative Care Centre in Korce, Albania	72,149	235	72,384	-
Contribution to the Generalate	31,525	-	31,525	-
Little Company of Mary, Zimbabwe	382,425	-	382,425	-
Little Company of Mary Generalate				
Emergency	12,500	-	12,500	-
Mary Magdalen Foundation	45,000	-	45,000	-
St Barnabas Cathedral	5,000	-	5,000	-
CAFOD	10,000	-	10,000	-
The Passage	5,000	-	5,000	-
The Medaille Trust	5,000	-	5,000	-
Emmaus House	5,000	-	5,000	-
Mary's Meals	5,000	-	5,000	-
Shooting Star Children's Hospice	2,000	-	2,000	-
Cardinal Hume Centre	5,000	-	5,000	-
Jericho Road Project	3,000	-	3,000	-
Catholic Children's Society	2,000	-	2,000	-
Emmanuel House	5,000	-	5,000	-
Irenaeus Project	2,000	-	2,000	-
Poor Clare Colettines	1,000	-	1,000	-
Aid to the Church in Need	3,000	-	3,000	-
Preca College	2,000	-	2,000	-
Payments of less than £1,000	1,550	-	1,550	-
	605,149	235	605,384	-
Donations and grants payable to individuals				
	221	-	221	-
	£605,370	£235	£605,605	£-

Donations were paid to one individual in the year to 30 June 2021 (period from 27 November 2019 to 31 June 2020 – none).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 EXPENDITURE ON: HERITAGE CENTRE

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Period from 27 November 2019 to 30 June 2020 Total £
Heritage Centre operating expenses	14,476	19,445	33,921	-
Depreciation	-	106,307	106,307	-
	<u>£14,476</u>	<u>£125,752</u>	<u>£140,228</u>	<u>£-</u>

6 GOVERNANCE COSTS

	Total 2021 £	Period from 27 November 2019 to 30 June 2020 Total £
Auditor's remuneration (including VAT):		
- Current year	11,700	-
- Prior period	(2,187)	-
	<u>9,513</u>	<u>-</u>
Other professional fees	8,001	-
	<u>£17,514</u>	<u>£-</u>

7 NET MOVEMENT IN FUNDS FOR THE year

	2021 £	2020 £
This is stated after charging/(crediting):		
Staff costs (note 8)	370,061	-
Auditor's remuneration (including VAT):		
. Statutory audit fees		
.. Current year	11,700	-
.. Prior period	(2,187)	-
Depreciation	197,362	-
	<u>379,636</u>	<u>-</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 STAFF COSTS

	2021	2020
	£	£
Staff costs during the year were as follows:		
Wages and salaries	266,197	-
Social security costs	17,089	-
Other pension costs	9,939	-
	<u>293,225</u>	<u>£-</u>
Employment claim settlement	27,000	
Agency staff	49,836	-
	<u>£370,061</u>	<u>£-</u>

No employees earned £60,000 per annum or more (excluding employer's pension contributions but including benefits) during the year (period from 27 November 2019 to 30 June 2020 – none).

The average number of employees, analysed by function, was:

	2021	2020
	No	No
Support of members of the Congregation and their ministry	9.8	-
Heritage Centre	1.0	-
	<u>10.8</u>	<u>-</u>

9 KEY MANAGEMENT, TRUSTEES' EXPENSES AND REMUNERATION AND TRANSACTIONS WITH TRUSTEES

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

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

As members of the Congregation, none of the trustees have resources of their own. 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 £34,774 (period from 27 November 2019 to 30 June 2020 – £nil).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

10 TAXATION

The Little Company of Mary Sisters England CIO is a Charitable Incorporated Organisation 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		Assets under construction £	Heritage Centre fixtures & fittings £	Motor vehicles £	Office Equipment and furniture £	Total £
	Non- specialised £	Specialised £					
Cost or valuation							
At 1 July 2020	-	-	-	-	-	-	-
Transfer from Charitable Trust (note 23)	1,640,270	2,881,479	388,787	1,261,037	59,400	95,134	6,326,107
Transfers	-	388,787	(388,787)	-	-	-	-
30 June 2021	<u>1,640,270</u>	<u>3,270,266</u>	<u>-</u>	<u>1,261,037</u>	<u>59,400</u>	<u>95,134</u>	<u>6,326,107</u>
Depreciation							
At 1 July 2020	-	-	-	-	-	-	-
Transfer from Charitable Trust (note 23)	-	828,697	-	540,016	49,419	87,100	1,505,232
Charge for the year	-	106,825	-	76,670	6,650	7,217	197,362
30 June 2021	<u>-</u>	<u>935,522</u>	<u>-</u>	<u>616,686</u>	<u>56,069</u>	<u>94,317</u>	<u>1,702,594</u>
Net book values							
30 June 2021	<u>£1,640,270</u>	<u>£2,334,744</u>	<u>£-</u>	<u>£644,351</u>	<u>£3,331</u>	<u>£817</u>	<u>£4,623,513</u>
30 June 2020	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>

The charity's assets were transferred from the Charitable Trust at midnight on 30 June 2020. The assets were transferred at cost or deemed cost to the Charitable Trust at 30 June 2020.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 TANGIBLE FIXED ASSETS (continued)

As permitted under FRS 102, the Charitable Trust had opted to adopt a policy of not revaluing its tangible fixed assets. The book value of the land and buildings owned by the Charitable Trust at 31 December 1997 is based on trustees' valuation made, with professional assistance, as at that date on the basis of replacement value for existing use. As permitted by FRS 102, with effect from 1 January 2014 the value assigned to this property was deemed its cost. Additions in subsequent years have been stated at cost. Other tangible fixed assets are stated at cost.

Non-specialised land and buildings include three properties held on a long lease of 125 years which commenced on 29 September 1968 and one property held on a long lease of 125 years which commenced on 1 June 1996. The net book value of these properties in the balance sheet at 30 June 2021 is £815,093. All other land and buildings, both non-specialised and specialised, are freehold.

The historical cost of the freehold land and buildings included above at a valuation cannot be obtained without significant time and expense researching past records. The trustees are of the opinion that such information would not add to the understanding of the accounts.

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, are not justified in terms of the benefit to the users of the accounts.

12 LISTED INVESTMENTS

	2021	2020
	£	£
Market value at 1 July 2020	-	-
Transfer from Charitable Trust (note 23)	10,887,524	-
Additions at cost	22,592,299	-
Disposals at book value (see below)	(22,285,770)	-
Net unrealised investment gains	716,957	-
	<hr/>	<hr/>
Market value at 30 June 2021	11,911,010	-
	<hr/> <hr/>	<hr/> <hr/>
Cost of listed investments at 30 June 2021	£11,194,053	£-
	<hr/> <hr/>	<hr/> <hr/>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

12 LISTED INVESTMENTS (continued)

Disposals at book value included above are made up of the following:

	2021	2020
	£	£
Proceeds	23,214,182	-
Gains on disposal	(928,412)	-
	£22,285,770	£-

The disposal figure reflects the change in investment manager during the period and the fact that the transition from one manager to another involved the disposal of the majority of the investment holdings and the transfer of cash. The new investment manager invested the funds in the COIF Charities Ethical Investment Fund (a Common Investment Fund) initially and then subsequently in the Catholic Investment Fund (a Charity Authorised Investment Fund). Hence, listed investments held at 30 June 2021 comprised the following:

	2021	2020
	£	£
CAIF Catholic Investment Fund	£11,911,010	£-

13 DEBTORS

	2021	2020
	£	£
Investment income and interest receivable	83,727	-
Prepayments	19,090	-
Other debtors	16,828	-
	£119,645	£-

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO
FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

14 CREDITORS – Amounts falling due within one year

	2021	2020
	£	£
Monies administered on behalf of individual members of the Congregation	13,677	-
Donations payable	130,000	-
Sundry creditors	7,463	-
Accruals and deferred income	21,700	-
Taxation & Social Security	26,423	-
Retention payable	18,040	-
Other creditors	39,843	-
	<u>£257,146</u>	<u>£-</u>

Other creditors represented monies held within the charity's own bank accounts on behalf of the Palliative Care Centre in Korce, Albania.

15 CREDITORS – Amounts falling due after one year

	2021	2020
	£	£
Donations payable	<u>£40,000</u>	<u>£-</u>

16 RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following assets and unexpended balances of donations and grants held on trust to be applied for specific purposes:

	Albania Fund £	Heritage Centre Fund £	Total £
At 1 July 2020	-	-	-
Transfer from Charitable Trust (note 23)	23,517	2,964,503	2,988,020
Income	235	175	410
Expenditure	(235)	(125,752)	(125,987)
At 30 June 2021	<u>£23,517</u>	<u>£2,838,926</u>	<u>£2,862,443</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 RESTRICTED FUNDS (continued)

	Albania Fund £	Heritage Centre Fund £	Total £
At 27 November 2019 and at 31 June 2020	<u>£-</u>	<u>£-</u>	<u>£-</u>

Albania Fund

This fund comprises funds raised specifically towards the Congregation's mission in Albania.

Heritage Centre fund

This fund was established in 2006 from a donation from the Little Company of Mary Generalate in order to establish a Heritage Centre in Nottingham. In 2009, donations amounting to £2,695,600 were received from the Congregation's Provinces/Regions in Australia, Ireland, Korea, New Zealand, Southern Africa and United States of America to help finance the development of the Heritage Centre. This Heritage Centre was officially opened on 10 February 2010 and is used to present artefacts and memorabilia relating to the foundress of the Little Company of Mary, Venerable Mary Potter.

17 DESIGNATED FUNDS

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose:

	At 1 July 2020 £	Transfer from Charitable Trust (note 23) £	New Designations £	Utilised /Released £	At 30 June 2021 £
Sisters' retirement fund	-	8,000,000	-	-	8,000,000
Congregation giving fund	-	1,694,541	500,000	(605,370)	1,589,171
	<u>£-</u>	<u>£9,694,541</u>	<u>£500,000</u>	<u>£(605,370)</u>	<u>£9,589,171</u>

	At 27 November 2019 £	New Designations £	Utilised /Released £	At 30 June 2020 £
Sisters' retirement fund	-	-	-	-
Congregation giving fund	-	-	-	-
	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 DESIGNATED FUNDS (continued)

The sisters' retirement fund consists of monies which the trustees have set aside in order to provide for the sisters in their retirement. The fund value has been calculated using actuarial principles.

The Congregation giving fund consists of monies set aside by the trustees, the investment income on which is to be applied toward future grants and donations.

18 TANGIBLE FIXED ASSETS FUND

	2021 £	2020 £
At 1 July 2020	-	-
Transfer from Charitable Trust (note 23)	2,929,193	-
Net movement in the year	(91,055)	-
	<u>£2,838,138</u>	<u>£-</u>
At 30 June 2021	<u>£2,838,138</u>	<u>£-</u>

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

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 June 2021 are represented by:

	General funds £	Tangible Fixed Assets funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	-	2,838,138	-	1,785,375	4,623,513
Investments	2,321,839	-	9,589,171	-	11,911,010
Net current assets	430,665	-	-	1,077,068	1,507,733
Creditors due after one year	(40,000)	-	-	-	(40,000)
Total net assets	<u>£2,712,504</u>	<u>£2,838,138</u>	<u>£9,589,171</u>	<u>£2,862,443</u>	<u>£18,002,256</u>

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

Fund balances at 30 June 2020 are represented by:

	General funds	Tangible Fixed Assets funds	Designated funds	Restricted funds	Total
	£	£	£	£	£
Tangible fixed assets	-	-	-	-	-
Investments	-	-	-	-	-
Net current assets	-	-	-	-	-
Creditors due after one year	-	-	-	-	-
Total net assets	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>

The total unrealised gains as at 30 June 2021 constitute movements on revaluations of investments are as follows:

	2021 £	2021 £
Unrealised gains included above:		
On listed investments	<u>£716,957</u>	<u>£-</u>
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 July 2020	-	-
Unrealised gains transferred from Charitable Trust (note 23)	1,074,577	-
Less: in respect of disposals in the year	(1,074,577)	-
Add: net gains arising on revaluation in the year	716,957	-
Total unrealised gains at 30 June 2021	<u>£716,957</u>	<u>£-</u>

20 SUMS HELD AS CUSTODIAN TRUSTEE

	2021 £	2020 £
Amount held in a bank account, as custodian trustee, on behalf of a third party	<u>£26,900</u>	<u>£-</u>

The above sum was held in a bank account in the name of the charity but designated in respect of the individual on whose behalf the trustees were acting as agent. The sum was not included in the balance sheet.

£23,339 was transferred to the CIO together with the net assets of the charity (see note 23).

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

21 ULTIMATE CONTROL

The charity, which is constituted as a trust, was controlled throughout the year by the Little Company of Mary Sisters England CIO by virtue of the fact that the Congregational Leader appoints the trustees. The Congregation does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the Congregation are vested in the trustees of the charity, who undertake all transactions entered into in the course of the Congregation's charitable activities.

22 LIABILITY OF THE MEMBER TO CONTRIBUTE TO THE ASSETS OF THE CIO IF IT IS WOUND UP

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.

LITTLE COMPANY OF MARY SISTERS ENGLAND CIO

FOR THE YEAR TO 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

23 TRANSFER OF ACTIVITIES, ASSETS AND LIABILITIES

The Little Company of Mary England Sisters CIO, a Charitable Incorporated Organisation (CIO) (the charity), was registered as a charity on 27 November 2019. The trustees of the charity were also trustees of Trust Property Held In Connection With the Little Company of Mary (“Little Company of Mary Charitable Trust”) (registered charity number 233137) (the Charitable Trust).

With effect from midnight on 30 June 2020, the activities, assets and liabilities of the Charitable Trust were transferred to the charity in accordance with a legal deed of transfer.

The net assets transferred at that date comprised the following:

	£
Tangible fixed assets (note 11)	
Cost	6,326,107
Accumulated depreciation	(1,505,232)
	<hr/> 4,820,875
Fixed asset investments (note 12)	
Market value of listed investments	10,887,524
Cash held by investment managers	398,311
	<hr/> 11,285,835
Net current assets	
Cash at bank and in hand	1,509,740
Debtors: amounts falling due within one year	59,202
Creditors: amounts falling due within one year	(294,332)
	<hr/> 1,274,610
Creditors: amounts failing due after one year	(130,000)
	<hr/>
Total net assets	<hr/> £17,251,320 <hr/>

The net assets transferred at midnight on 30 June 2020 represented the following funds:

	£
Unrestricted funds	
General fund	1,639,566
Tangible fixed assets fund (note 18)	2,929,193
Designated funds (note 17)	9,694,541
	<hr/>
Restricted funds (note 16)	2,988,020
	<hr/>
	£17,251,320 <hr/>