

**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
1st 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

| | | | | | Period from 27 November 2019 to 31 June 2020 |
|--|-------|----------------------------|--------------------------|-----------------------------|--|
| | Notes | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ | 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) |
| | (894,433) | (978,638) |
| Transfers | 17,251,320 | (17,251,320) |
| | | |
| Net expenditure | 16,356,887 | (18,229,958) |
| | | |
| Net investment gains | 1,645,369 | 481,774 |
| | | |
| Net movement in funds | 18,002,256 | (17,748,184) |

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> | | <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></u> | | <u>-</u> | |
| NET CURRENT ASSETS | | | | | |
| | | | 15,139,813 | | - |
| | | | <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

| | | Year to 30 June 2021 £ | Period from 27 November 2019 to 30 June 2020 £ |
|---|--------------|---------------------------------------|---|
| | Notes | | |
| 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 | £1,645,234 | £- |
| Total cash and cash equivalents | £1,645,234 | £- |

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 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 605,149 | 235 | 605,384 | - |
| Donations and grants payable to individuals | | | | |
| | 221 | - | 221 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | £605,370 | £235 | £605,605 | £- |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

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 | - |

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 | - |
| | <hr/> 293,225 | <hr/> £- |
| Employment claim settlement | 27,000 | |
| Agency staff | 49,836 | - |
| | <hr/> £370,061 | <hr/> £- |

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 No | 2020 No |
|---|-------------------|----------------|
| Support of members of the Congregation and their ministry | 9.8 | - |
| Heritage Centre | 1.0 | - |
| | <hr/> 10.8 | <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 £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 | | | Heritage Centre fixtures & fittings | Motor vehicles | Office Equipment and furniture | Total |
|--|--------------------------|--------------------------|-----------------------------------|--|----------------------|---|--------------------------|
| | Non- specialised £ | Specialised £ | Assets under construction £ | £ | £ | £ | £ |
| 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/> |
| Cost of listed investments at 30 June 2021 | £11,194,053 | £- |
| | <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) | - |
| | <u>£22,285,770</u> | <u>£-</u> |

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 | <u>£11,911,010</u> | <u>£-</u> |

13 DEBTORS

| | 2021 £ | 2020 £ |
|---|-----------------|-----------|
| Investment income and interest receivable | 83,727 | - |
| Prepayments | 19,090 | - |
| Other debtors | 16,828 | - |
| | <u>£119,645</u> | <u>£-</u> |

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 | £- | £- | £- |

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 |
| | £- | £9,694,541 | £500,000 | £(605,370) | £9,589,171 |

| | At 27 November 2019 £ | New Designations £ | Utilised /Released £ | At 30 June 2020 £ |
|--------------------------|--------------------------------------|-----------------------------------|-------------------------------------|----------------------------------|
| Sisters' retirement fund | - | - | - | - |
| Congregation giving fund | - | - | - | - |
| | £- | £- | £- | £- |

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) | - |
| | <hr/> | <hr/> |
| At 30 June 2021 | £2,838,138 | £- |
| | <hr/> <hr/> | <hr/> <hr/> |

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) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total net assets | £2,712,504 | £2,838,138 | £9,589,171 | £2,862,443 | £18,002,256 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

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 | - | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total net assets | £- | £- | £- | £- | £- |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

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 | £716,957 | £- |
| | <hr/> | <hr/> |
| 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 | - |
| | <hr/> | <hr/> |
| Total unrealised gains at 30 June 2021 | £716,957 | £- |
| | <hr/> | <hr/> |

20 SUMS HELD AS CUSTODIAN TRUSTEE

| | 2021 £ | 2020 £ |
|---|----------------|-----------|
| Amount held in a bank account, as custodian trustee, on behalf of a third party | £26,900 | £- |
| | <hr/> | <hr/> |

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/> |