

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

England & Wales · Charity number 1189174

Details

Status Registered

Legal form CIO

Registered 2020-04-23

Register [View on the Charity Commission register](#)

Contact

Address 22 Holyrood Road
Northampton
NN5 7AH

Phone 01604587423

Email provincial.eiw@gmail.com

Website www.fillesstesprit.org/site/english

Activities

Objects: THE OBJECTS OF THE CIO ARE FOR SUCH CHARITABLE PURPOSES WHICH ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK FOR THE TIME BEING CARRIED ON BY OR UNDER THE DIRECTION OF THE PROVINCE AS THE TRUSTEES WITH THE APPROVAL OF THE PROVINCIAL SUPERIOR SHALL FROM TIME TO TIME THINK FIT AND IF THE PROVINCE SHALL CEASE TO EXIST OR SHALL CEASE TO CARRY ON ANY CHARITABLE WORK THEN FOR SUCH LAWFUL CHARITABLE PURPOSES WHICH ADVANCE THE RELIGIOUS AND CHARITABLE WORK FOR THE TIME BEING CARRIED ON BY OR UNDER THE DIRECTION OF THE CONGREGATION.

Activities: We maintain 11 communities of religious sisters working in parishes. Sisters also work in Education/Spiritual Formation, Health, and Pastoral work - ensuring that each one brings to her ministry Christian Values, Attentiveness to the disadvantaged and Respect for the value and the dignity of the individual . We also provide for the needs of sick and elderly sisters.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- France
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,263,925	£1,075,622	£19,501,679	5
2023-12-31	£984,826	£1,140,806	£18,665,053	5
2022-12-31	£1,227,292	£1,049,979	£17,936,856	5
2021-12-31	£19,143,320	£1,121,881	£19,477,119	9
2020-12-31	£0	£0	-	-

Trustees

Name	Role	Appointed
Sister Anne Cecilia Morris	Chair	2020-04-23
SISTER EILEEN MARY GORMAN		2020-04-23
Sister Dympna Theresa Connolly		2020-04-23
Sister Margaret Esther Abbott		2020-04-23

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

England & Wales - Charity number 1189174

Accounts

DAUGHTERS OF THE HOLY SPIRIT
(Registered Charity Number: 1189174)

ANNUAL REPORT AND ACCOUNTS

31 DECEMBER 2024

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER **1189174**

TRUSTEES OF THE CHARITY

Sister Anne Morris	Provincial Superior and trustee
Sister Margaret Abbott	Provincial Councillor and trustee
Sister Dympna Connolly	Provincial Councillor and trustee
Sister Eileen Gorman	Provincial Bursar and trustee

PRINCIPAL ADDRESS Provincial House
22 Holyrood Road
NORTHAMPTON
NN5 7AH

BANKERS Barclays Bank plc
PO Box 3261
Ashton House
497 Silbury Boulevard
MILTON KEYNES
BX3 2BB

SOLICITORS Potheary Witham Weld
70 St George's Square
LONDON
SW13RD

AUDITORS Buzzacott Audit LLP
130 Wood Street
LONDON
EC2V 6DL

INVESTMENT ADVISORS Charles Stanley & Co Limited
55 Bishopsgate
LONDON
EC2N 3AS

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are pleased to present their report for the year ended 31 December 2024.

INTRODUCTION

The Congregation of the Daughters of the Holy Spirit (The Congregation) is an International Roman Catholic Religious Congregation with communities in England, Ireland, France, Nigeria, Cameroon, Burkina Faso, Chile, Peru and the U.S.A. It was founded in Brittany in 1706 where the Generalate is located. For administrative purposes it is divided into 3 provinces, 3 vice-provinces and one delegation, it is governed by its own constitution.

OBJECTS OF THE CHARITY

The accounts accompanying this report are the accounts of a charitable trust (The Charity) on which the assets of the Congregation in England are held. The objects of the Charity are to apply the Trust property either as capital or income for such charitable purposes which advance the religious and other charitable work for the time-being carried on by or under the direction of the society as the Trustees with the approval of the Superior shall from time-to-time think fit.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Province is administered by the Provincial Superior, her Councillors, and the Provincial Bursar who are appointed by the General Council. The Provincial visits each community at least once every 12 months.

The General Chapter of the Congregation, which is held every six years, took place in July / August 2021. Between Chapters, province meetings are held on an annual basis - to review the past year and to set objectives for the following year. The Provincial and her Council meet every month to discuss the needs of the Province. This year we have gathered as a Province at our convent in Olney.

The trustees of the charity are the members of the Provincial Council together with the Provincial Bursar. As all the trustees are members of the Congregation, they have a detailed knowledge of the work of the charity and of its structure. They meet on a monthly basis to review developments with regard to the charity and make important decisions. When necessary, they seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors, accountants and insurance broker. Regular financial reviews are carried out. The structure of the Congregation and its Council militates against dominance by any one individual. There is regular contact with the Generalate and the General Bursar, and the accounts are sent to them on an annual basis.

Training has taken place. Two trustees have attended the Bursar's Conference and followed zoom meetings, covering various topics related to their role as governors. e.g., safeguarding.

Key management

The Trustees consider that the key management of the Charity consists of themselves and, in particular, the Province Leader and Provincial Bursar to whom much of the running of the day -to- day operation devolves. As religious sisters, under a vow of poverty, the Trustees do not receive remuneration.

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IN ORDER TO REALISE OUR OBJECTIVES

1. We maintain 10 religious' communities. The Sisters work in 10 parishes where, according to their age, capacities and training, they serve the local Catholic and Civic Community professionally or on a voluntary basis. We keep in mind the mission of the province and the objects of the Charity.
2. Sisters work in Spiritual Formation Centres, Health and Pastoral Work ensuring each one has the necessary training which enables her to bring to her ministry
 - Christian values
 - Attentiveness to the disadvantaged
 - Respect for the value and dignity of the individual
3. We provide for the needs of our sick and elderly sisters wherever they may be. The age profile of the sisters in the English Province: Age Range: 3 sisters 90 -100, 19 sisters 80 -90, 1 sister 70-80, 1 sister 60 -70, 1 sister 40-50. Total number of sisters 25.

OUR MISSION

Rule of Life Ch1. 'The first Daughters of the Holy Spirit chose to live together to serve the poor, the sick, the children.

In our Trustees Report for 2024 we have given examples of some of the various ministries carried out by the sisters (The Daughters of the Holy Spirit) Ministries undertaken to **fulfil the charities objectives to care for the poor / the sick / and the deprived**. Key to enabling the charity to achieve its objectives is the contribution of individual members in volunteering their time.

We are committed to:

- providing spiritual support by inviting people to pray with us in our communities
- working with the poor and deprived in the areas in which we live
- visiting the sick and elderly in hospital and in their own homes - providing spiritual support / friendship
- supporting ecumenism and interfaith activities
- working to promote justice and peace issues
- supporting our Missions in France / Africa / Chile and Peru

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SPIRITUAL SUPPORT

Rule of life Ch.4 We share in the prayer of the people among whom we live and it is with other believers that we try to hear the word that God speaks.

Prayer Group – Bedford

Mother's Prayer's is a prayer group that was established in 1995 for mothers who wish to pray together for their children and grandchildren. It has now spread to over 100 countries throughout the world and has the approval, support and blessing of Christian leaders of all denominations.



Two grandmothers, Veronica and her sister-in-law Sandra, felt led by the Lord to start Mother's Prayers and to pray in a special way for their children.

The Sisters in Bedford introduced Mother's Prayers as an organisation in their parish as a result of listening to several mothers expressing concerns about their children. This group has started meeting once again after covid. They meet every Friday in the Parish Church. Coming together to pray as a group, these mothers feel the support of one another in their difficulties.

One mother shared the following:

Mother's Prayers has been an important part of my life for around 15 years. I have been actively placing my children in God's hands at the weekly meeting, from the time they went to primary school, through secondary school and university and out into the working world. I was acutely aware of the fact that through Mother's Prayers, the Lord has been guiding their steps at every stage of their life...at the same time I realised the peace and joy that I personally have experienced over this time through surrendering all my worries and concerns for my

children to Him.

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FOR THE YEAR ENDED 31 DECEMBER 2024

SPIRITUAL SUPPORT (CONTINUED)

Provincial House, Northampton.

Our house in Northampton was once a home for Mothers and Babies run by the Anglican Diocese of Peterborough. Mothers who gave birth in Provincial House and babies who were born there, often come back as adults, to visit the house, and share their memories.



This is a letter written by a lady who visited last year.

To the Daughters of the Holy Spirit,

Dear Sisters,

You now live in the former mother and baby home; my birthplace, this is your Provincial House. It is incredible that this lovely Edwardian House still exists and hasn't been changed into flats or sold for monetary gain.

I am so lucky to be able to visit the place of my birth. Thank you for showing me around your home where I spent the first six weeks of my life.

Eighteen years ago just after my sister Amy's wonderful wedding, a lovely family occasion. I was feeling very emotional and quite low. It hit me how unfair it was that I didn't grow up in my birth family and what I had missed. I realised I was driving past the end of your street on the way to an appointment. I can't describe the feeling, a wave of something came over me and suddenly, I just needed to see where I was born.

I sat outside your house for a few minutes with butterflies in my stomach, trying to pluck up the courage to knock on the door. Taking a big breath I thought, I need to do this. One of your lovely sisters opened the door and wasn't surprised at my request to look around.

Over the years, you have welcomed lots of us 'babies' desperate to learn where we were born and also birth mothers remembering or trying to get some closure-how upsetting it must have been for them.

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SPIRITUAL SUPPORT (CONTINUED)

I felt overwhelmed standing in the large entrance hall. It took my breath away, my eyes filled, knowing my mum had walked in there, heavily pregnant later to leave with empty arms.



The beautiful wooden staircase, which my mum tells me had to be polished daily, is still the focal point as you enter.

One of the sisters kindly gave me a tour of some of the rooms and allowed me to spend some time reflecting in the chapel. Thank you for allowing me some peaceful moments to gather myself. When the time came to leave the sisters told me that I could come back anytime.

About a year after my visit I contacted the convent once more, to arrange to bring my mum and my dad to see the place of my birth.

Visiting the place of my birth together, felt like a healing experience for all three of us. My mum had tears in her eyes and my dad went quiet. We were finally together again in the place where they had said goodbye all those years ago, thinking they would never see me again. It was a very surreal, moving experience; I well up just thinking about it.

I remember an episode of 'Long Lost Family' also filmed at your home when two birth sisters were reunited. I recorded the episode to keep for posterity "That is my birth home," I screamed at the television screen to anybody who could hear me.

When I started writing this letter to the sisters living in Provincial House, I thought I would love to go to the house again and perhaps be allowed to take a few photograph's. Sister Eileen was delighted at my request and we spent a delightful couple of hours enjoying a cup of tea and chatting. Then sister showed me round the house again, including the garden; I felt a real sense of peace and a sort of closure.

Thank you again for helping me slot another piece of my life's jigsaw into place.

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The chapel in Provincial House



A view of part of the back garden



St. Joseph's Convent, Olney.

Members of the United Reform Church in Olney led a community- based project to create a quilt for the 250 Anniversary of the writing of the hymn 'Amazing Grace.' by John Newton. The design reflects an original quilt from the 1770's using a similar colour scheme, picking out the English paper pieced hexagons in the design of 'grandmother's garden.' Central to the design is the first verse of Amazing Grace, written in the original font style.

Sister Margaret and a group of ladies who met in the Church to work on the Amazing Grace quilt.



Over a hundred people expressed an interest in working on this project. They received fabric, paper hexagons and thread enabling them to work at home. Once the completed patterns were returned, it was time to begin sewing them together. Sit and sew sessions brought all the people who had sewn the hexagons, together. These were also occasions for a lot of chat and laughter. In one afternoon, many of the three thousand five hundred hexagons were sewn into flowers.

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During another sit and sew session the plain hexagon flowers were ready to be sewn together into lines – and now the full size of the quilt could be visualised. Once finished the quilt will be available to be displayed in venues around Olney and events around the world. Let us hope it can travel nearly as far as the hymn itself.



The Daughters of the Holy Spirit continue to offer the bungalow in the grounds of the Provincial House to a family from Ukraine. In 2023 a new family moved into the Bungalow and sent us the following letter of thanks.

Good morning! We want to thank everyone from the bottom of our hearts for helping us. The bungalow is just a fairy tale and my daughter and I feel like princesses from a fairy tale in this cozy house, It's true.

We cried when we saw how beautifully everything had been prepared for us, by the sisters. The rooms are very nice and we feel so happy here. For the first time in England, I am happy to return home from work. One of the most important things is that I know my daughter is safe and I don't have to worry about her.

I believe in God and also the importance of prayer. I thank the sisters for everything. My daughter and I had to go through a lot, but I believe that everything will be fine with us. Thank you all very much for everything you have done for us. As I write this letter, I have tears of happiness in my eyes. May the Lord bless you all for the good that you have given to people.

I am sorry that I don't know English well, so I write using Google. Maria speaks English well she teaches me a little.

You are very wonderful people and God just sent you to me when he saw that it was very hard for me and I could not cope alone. I know that this is so.

Best regards Natalia and Maria Osadcha.



The bungalow in the grounds of Provincial House.

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Sr. Margaret, here in Olney, continues to support The Donkey Sanctuary in Sidmouth Devon. When we, the Daughters of the Holy Spirit, left Romania, the Donkey Sanctuary in Romania, took and looked after, the two donkeys in our care.

The Donkey Sanctuary was founded by Dr. Elizabeth Svendsen MBE in 1969. She built it from nothing to the international animal welfare charity it is today, supporting projects in 27 countries worldwide.

These Donkey Sanctuaries provide full time care to donkeys that have been cruelly treated, neglected or unwanted, with the support of a network of donkey grooms, welfare officers and expert vets.

About 400,000 donkeys are treated in

developing countries and thousands more are reached through educational programmes in some of the poorest communities in the world. Donkey -assisted therapy reaches out to thousands of children here in England and adults with additional needs in many communities.

Romania – There are an estimated 30,000 donkeys and mules in the country. The sanctuary provides permanent refuge to donkeys in need; and runs a weekly mobile veterinary clinic and donkey assisted therapy scheme for orphaned children. One of the little girls who benefits from riding therapy is Luminita. She has cerebral palsy and learning difficulties. She rides three times a week to strengthen her legs.

The Donkey Sanctuary in Devon was delighted when St. Edwards Primary school in Rochdale fostered Joop and Maco. The head teacher told us “ Fostering Joop and Maco is one of the best things the school has ever done. Not only does the animal contact help the children learn and understand about empathy and the environment, but spending time with the donkeys is therapeutic for both staff and pupils. The donkeys are so popular that we have no shortage of volunteers to groom and walk them.”



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NIGERIA

Over the years, the Daughters of the Holy Spirit have been involved in the empowerment of youth and women, through education and social work. Our aim is to raise the dignity of the human person in the rural areas where we are present. We do this by organizing workshops and seminars.

WORKSHOPS FOR PEOPLE LIVING IN RURAL AREAS.

Objective: To empower about a hundred young men and women.

In Nigeria the situation of young people aged 15 -35 years gives cause for concern. (70% of the population.) There are an increasing number of school dropouts, teenage pregnancies, and malnourished children.

At the end of the training courses which lasts for three months, we hope the young people will become aware of their potential. The training programmes will cover the following: sewing – the making of garments.

We also aim to teach leather crafts, jewellery and fishing.



We the Daughters of the Holy Spirit in the English Province support our sisters in Africa financially, by sending money to enable these projects to take place. The money is sent to our General Bursar in France. He then distributes it to the various projects as needed.

FISH FARMING - NIGERIA



The Congregation has been engaged in fish farming for the past few years. Fish farming provides a source of protein products, employment opportunities and it improves the level of well-being of the poorest people.

Inspired by Pope Francis' encyclical 'Laudato si' the sisters have undertaken the development of 'fish farming' and fishing in order to improve the quality of food for malnourished children and to help the economic promotion in the region with an opportunity of job creation.

The choice of fishing helps to meet protein needs without having an impact on wildlife, nature reserves and forests.

***“Rivers do not drink their own water, trees do not eat their own fruit, the sun does not shine on itself and flowers do not spread their fragrance for themselves. Living for others is a rule of nature.*”**

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

RISK MANAGEMENT

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the Charity should those risks materialise.

The key risks identified include the age profile of the sisters and the need to ensure that charity has sufficient resources to continue to care for them and their needs. This is mitigated through the existence of the retirement fund represented by the charity's investments. Listed investments are subject to stock market movements – both up and down. The risk is mitigated by the fact that the charity uses professional managers and monitors performance regularly. Donations sent overseas are sent by bank transfer and reports are always obtained confirming receipt and use of the funds.

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 by the charity, they have established effective systems to mitigate those risks.

FUNDRAISING POLICY

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

FUTURE PLANS

- ◆ To enable all members of their Congregation to continue with their individual ministries for as long as possible. In some communities it is now necessary to install adaptations in order to aid and improve the quality of life of the sisters, thus allowing them to remain and work in their local parishes.
- ◆ To continue to provide ongoing care for our sick and elderly sisters in third-party owned care homes following the closure of our own care facility in Olney in March 2021.
- ◆ To continue to contribute financially to the upkeep and mission of the communities in Africa, Latin America, and to the functioning of the Generalate in France.
- ◆ To provide opportunities for on-going formation for our sisters at all stages of life including exchanges from other units of the Congregation. (General Chapter 2008).
- ◆ To review and rationalise, where possible, the Charity's properties. The building which was used as the Provincial House has been sold. The sale was completed on the 21st March 2025.
- ◆ Part of the land at St Joseph's Convent in Olney has been sold in 2025.

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FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW

A summary of the results for the year ended 31 December 2024 can be found on page 16 of this report and accounts.

Total income for the year was £1,263.9k (2023: £984.8k). It included investment income of £436.0k (2023: £381.9k) and voluntary income of £831.7k (2023: £603.5k). Voluntary income includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid.

Expenditure for the year to 31 December 2024 amounted to £1,075.6k (2023:£1,140.8k). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

Net income before investment gains for the year amounted to £188.3k (2023: net expenditure - £156.0k). Investment gains amounted to £648.3k (2023: £884.2k). The overall result was a net increase in funds of £836.6k (2023: £728.2k).

INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Charles Stanley & Co Limited. 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 excluding investment in any company which has significant business interests in activities which are contrary to the teachings of the Christian Church

INVESTMENT PERFORMANCE

The Trustees meet with the fund managers once every four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity. The target set for the fund manager is to achieve a certain return of both income and capital growth with no more than a moderate level of risk, within the ethical guidelines set out by the Trustees.

In the year the portfolio generated a total return of around +8.1% (2023: +11.0%). This was broadly in line with the returns shown by published benchmarks for the performance of charity portfolios in the year. The Trustees, therefore, are satisfied with the returns generated but will continue to monitor investment performance closely.

RESERVES POLICY

The Charity requires investment in tangible fixed assets to enable it to continue its charitable work. A fund of £2,094.2k (2023: £2,164.7k) has been designated to reflect the amount of reserves represented by tangible fixed assets.

The Charity also has an ongoing commitment to provide for the retirement and old age of Sisters, none of whom have resources of their own. The funds set aside for this purpose have been assessed and the calculations, based on annuity tables, indicated that a fund of approximately £10.9m is needed. At the end of the year, the Fund designated for this purpose was £10.9m (2023: £10.9m).

Undesignated Funds stood at just over £6,507.5k and is thus which is broadly equivalent to seven years' expenditure and is thus above the target range of approximately three years' expenditure. However, the investment losses suffered in recent previous years highlight the transitory nature of some asset values. The Trustees, therefore, consider the level of the Charity's reserves to be adequate but not excessive.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees of the Charity are required to prepare for each financial year accounts 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 those financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of 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 accounting standards have been followed, subject to any material departures Disclosed and explained in the financial statement
- ◆ prepare the financial statements on the on-going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity and to enable them to ensure that the financial statements comply with statutory requirements and with the Constitution registered 23 April 2020. 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.

The Trustees are responsible for the maintenance and integrity of the charity and finance information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Trustees on 1 October 2025 and signed as authorised on their behalf by:

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

Opinion

We have audited the accounts of Congregation of The Daughters of the Holy Spirit CIO (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, principal accounting policies, and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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.

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and 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 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries with those charged with governance and review of minutes of trustees' meetings.

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

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

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Reviewed journal entries to identify unusual transactions;
- Carried out sample based substantive testing of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions, if any.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

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

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

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

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

Use of our report

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

Buzzacott Audit LLP

Statutory Auditors
130 Wood Street
London
EC2V 6DL

Date: 10 October 2025

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

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 Total £	2023 Total £
INCOME			
Donations and legacies	1	831,725	603,507
Investment income and interest receivable	2	436,020	-
Other Income			
(Loss)/gain on translation of foreign currencies		(3,820)	(551)
Surplus on disposal of fixed assets	3	-	-
Total income		<u>1,263,925</u>	<u>984,826</u>
EXPENDITURE on			
Cost of raising funds			
Investment management fees		82,103	58,575
Charitable expenditure			
Costs of charitable activities	3	993,519	1,082,231
Total expenditure		<u>1,075,622</u>	<u>1,140,806</u>
Net income/(expenditure) before gains/(losses) on investments		188,303	(155,980)
Net gains/(losses)vestments		648,323	884,177
Net income/(expenditure) ad net movement in funds for the year		<u>836,626</u>	<u>728,197</u>
Reconciliation of funds			
Fund balances brought forward		18,665,053	17,936,856
Fund balances carried forward		<u><u>£19,501,679</u></u>	<u><u>£18,665,053</u></u>

All of the above activities derived from continuing activities. The statement of financial activities includes all gains and losses recognised in the year.

All of the above income and expenditure related to unrestricted funds in the above year.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	Restated	£
FIXED ASSETS					
Tangible fixed assets	10		2,094,167		2,164,746
Investments	11		13,851,718		13,320,014
			<u>15,945,885</u>		<u>15,484,760</u>
CURRENT ASSETS					
Debtors	12	312,907		71,751	
Cash at bank and in hand		3,355,029		3,301,289	
		<u>3,667,936</u>		<u>3,373,040</u>	
CREDITORS: Amounts falling due within one year	13	(112,142)		(192,747)	
			<u>3,555,794</u>		<u>3,180,293</u>
NET CURRENT ASSETS			<u>3,555,794</u>		<u>3,180,293</u>
TOTAL NET ASSETS			<u>£19,501,679</u>		<u>£18,665,053</u>
Represented by:					
General fund			6,507,512		5,600,307
Designated funds	14		10,900,000		10,900,000
Tangible fixed assets fund	15		2,094,167		2,164,746
			<u>£19,501,679</u>		<u>£18,665,053</u>

Approved by the trustees and signed on their behalf by:

Approved by the Council of Trustees on 1 October 2025 and signed on its behalf by

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	Restated £
Cash flows from operating activities		
Net cash used in operating activities	(493,899)	(461,731)
Cash flows from investing activities		
Dividends and interest from investments	436,020	381,870
Payments to acquire tangible fixed assets	(5,000)	(595,575)
Payments to acquire investments	(344,686)	(1,028,709)
Receipts from sales of investments	461,305	104,201
Net cash provided by investing activities	547,639	(1,138,213)
Change in cash and cash equivalents in year	53,740	(1,599,944)
Cash and cash equivalents at 1 January 2024	3,301,289	4,901,233
Cash and cash equivalents at 31 December 2024	£3,355,029	£3,301,289
	£	£

Notes to the Cash Flow Statement

A. Reconciliation of net movement in funds to net cash flow from operating activities

Net movement in funds (as per the Statement of Financial Activities)	836,626	728,197
Adjustments for		+
(Gains)/Losses on investments	(648,323)	(884,177)
Dividends and interest from investments	(436,020)	(381,870)
Depreciation	75,579	76,125
(Increase)/Decrease in debtors	(241,156)	14,374
(Decrease)/Increase in creditors	(80,605)	(14,380)
Net cash used in operating activities	£(493,899)	£(461,731)

B. Analysis of cash and cash equivalents

Cash at bank and in hand	3,355,029	3,301,289
Total cash and cash equivalents	£3,355,029	£3,301,289

C. Analysis of changes in net cash funds

At 1 January 2024	Cashflow	At 31 December 2024
£	£	£
£3,301,289	£53,740	£3,355,029

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2024.

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

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

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

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

Critical accounting estimates and areas of judgement

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

The key areas in the accounts where these judgements and estimates have been made relate to estimating the useful economic life of tangible fixed assets for the purpose of determining an annual depreciation charge and determining the amount to be set aside as a designated fund to provide for the retirement and care of the Sisters.

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 31 December 2025, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

Income recognition

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

Income comprises donations, investment income 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.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds due under the contract for sale and the net book value of the relevant asset prior to disposal less those direct costs, including legal fees, incurred in connection with the disposal. The surplus is accounted for at the time of legal completion.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

Expenditure recognition

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

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

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

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

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants, where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released, are not accrued for but are disclosed as financial commitments in the notes to the accounts.

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.

Support costs and governance costs are apportioned on the basis of estimated use.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

Tangible fixed assets

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

- ◆ Freehold land and buildings
Freehold properties are included at cost with the exception of those which were owned at 31 December 1996 and for which cost figures were not available when the accounting requirements of the Charities Act came into force. These have been included at a Trustees' valuation determined as at that date and this is now the deemed cost of such assets. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.
- ◆ Leasehold land and buildings
Leasehold properties are included at cost. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.
- ◆ Fixtures, fittings and office equipment
Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a four-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. Included within the carrying value of investments is cash held within the portfolio awaiting investment, or any cash held outside of the portfolio but intended for longer-term investment at the balance sheet date.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value, if 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.

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.

The Charity had established a pension scheme for certain Sisters. The scheme was a Deferred Annuity Contract whereby a certain guaranteed sum was payable to the charity at a fixed future date. No value could be attributed to the contract as future returns are dependent on bonuses which in turn depend on investment return and inflation. Therefore, the asset was included in the balance sheet in respect to this scheme, valued on the basis of premiums paid to date in respect to Sisters still in the scheme. Receipts on maturity were recognised as investment gains net of the relevant premiums paid and the annual premiums were included as additions to the Deferred Annuity Contract. During 2024, the final contract matured and there was no remaining value to be recorded in the balance sheet at the end of 2024.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

Debtors

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

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment. Cash and cash instruments that forms part of the investment portfolio or otherwise ringfenced for investment is included as part of fixed asset investments and are not considered to be part of cash and cash equivalents.

Creditors and provisions

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

Fund structure

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

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

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

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

Services provided by members of the Congregation

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

Foreign currencies

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

Pension contributions

Contributions in respect of the Charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The Charity's contributions are restricted to the contributions due for the year. There were no outstanding contributions at the year end. The Charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. DONATIONS AND LEGACIES	2024	2023
	Total	Total
	£	£
Sister salaries and pensions donated	545,984	571,268
Legacies	250,000	-
Contribution to costs from Generalate of the Congregation	-	20,000
Other donations	35,741	12,239
	<hr/>	<hr/>
	£831,725	£603,507
	<hr/> <hr/>	<hr/> <hr/>
2. INVESTMENT INCOME AND INTEREST RECEIVABLE	2024	2023
	Total	Total
	£	£
Bank interest	53,936	44,292
Income from listed investments	382,084	337,578
	<hr/>	<hr/>
	£436,020	£381,870
	<hr/> <hr/>	<hr/> <hr/>
3. CHARITABLE EXPENDITURE	2024	2023
	Total	Total
	£	£
Support of members of the Congregation and their ministry		
Sisters' Living Expenses	534,620	516,691
Staff costs	33,616	41,840
Premises	238,431	214,469
Education, Training & Spiritual Renewal	45,273	42,330
Administration	58,272	111,084
Overseas Mission	54,038	129,114
Other	415	3,633
Governance costs (Note 5)	28,854	23,070
	<hr/>	<hr/>
	£993,519	£1,082,231
	<hr/> <hr/>	<hr/> <hr/>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

4. GOVERNANCE COSTS

	2024	2023
	Total	Total
	£	£
Auditor's remuneration		
Current year	16,500	12,500
Prior year under-provision	3,474	2,400
	<hr/>	<hr/>
	19,974	14,900
Other		
Professional fees	8,880	8,170
	<hr/>	<hr/>
	£28,854	£23,070
	<hr/> <hr/>	<hr/> <hr/>

5. NET (EXPENDITURE)/INCOME

	2024	2023
	£	£
This is stated after charging/(crediting):		
Staff costs (see note 7)	33,616	41,840
Auditor's remuneration (including VAT)	19,974	14,900
Depreciation	75,579	76,125
Loss/Gain) on currency conversion	3,820	551
	<hr/> <hr/>	<hr/> <hr/>

6. STAFF COSTS

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	33,289	41,361
Other pension costs	327	479
	<hr/>	<hr/>
	£33,616	£41,840
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees (analysed by function) was:

	2024	2023
Support of members of the Congregation and their ministry	5	5
	<hr/> <hr/>	<hr/> <hr/>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) during the year

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

7. KEY MANAGEMENT, TRUSTEES' EXPENSES & 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 Trustees.

As members of the Congregation, none of the Trustees have resources of their own. As well as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total donated by the Trustees was £108,544 (2023: £101,467).

8. TAXATION

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9. TANGIBLE FIXED ASSETS

	Residential Properties Freehold	Residential Properties Leasehold*	Fixtures and Equipment	Motor Vehicles	Total
	£	£	£	£	£
COST OR VALUATION					
At 1 January 2024	3,068,837	279,766	19,679	121,362	3,489,644
Additions	-	-	-	5,000	5,000
Disposals	-	-	-	(5,100)	(5,100)
At 31 December 2024	<u>3,068,837</u>	<u>279,766</u>	<u>19,679</u>	<u>121,262</u>	<u>3,489,544</u>
DEPRECIATION					
At 1 January 2024	1,185,277	11,192	17,572	110,857	1,324,898
Charge for the year	61,377	5,596	2,106	6,500	75,579
Disposals	-	-	-	(5,100)	(5,100)
At 31 December 2024	<u>1,246,654</u>	<u>16,788</u>	<u>19,678</u>	<u>112,257</u>	<u>1,395,377</u>
NET BOOK VALUE					
At 31 December 2024	<u>£1,822,183</u>	<u>£262,978</u>	<u>£1</u>	<u>£9,005</u>	<u>£2,094,167</u>
At 31 December 2023	<u>£1,883,560</u>	<u>£268,574</u>	<u>£2,107</u>	<u>£10,505</u>	<u>£2,164,746</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

10. INVESTMENTS	2024	Total	2023	Total
	£	£	£	£
Value at 1 January 2024		13,320,014		11,511,329
Add: Acquisitions at cost	729,827		861,466	
Change in cash values	(385,141)		167,243	
	<hr/>	344,686	<hr/>	1,028,709
Less: Disposals (at opening MV)	(461,305)		(104,201)	
Realised gains/(losses)	62,459		17,347	
	<hr/>	(398,846)	<hr/>	(86,854)
Net gains on revaluations at 31 December 2024		585,864		866,830
Value at 31 December 2024		<hr/> <hr/> <u>£13,851,718</u>		<hr/> <hr/> <u>£13,320,014</u>
At Market Value:				
Listed on UK Stock Exchange		13,567,683		12,647,382
Bank deposits		284,035		650,561
		<hr/>		<hr/>
		13,851,718		13,297,943
At Cost:				
Deferred annuity contracts		-		22,071
		<hr/>		<hr/>
		<u>£13,851,718</u>		<u>£13,320,014</u>
Cost of Investments				
At 31 December 2024		<hr/> <hr/> <u>£9,719,475</u>		<hr/> <hr/> <u>£9,792,747</u>

All investments other than cash are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange.

The deferred annuity matured during the year and the proceeds of £40,686 resulted in a realised gain of £18,615.

11. DEBTORS	2024	2023
	£	£
Micheline Le Jossec legacy	250,000	-
Prepayments	62,907	71,751
	<hr/>	<hr/>
	£312,907	£71,751
	<hr/> <hr/>	<hr/> <hr/>
12. CREDITORS: Amounts falling due within one year	2024	2023
	£	Restated £
Amounts held on behalf of others	66,231	153,720
Accruals and deferred income	45,911	39,027
	<hr/>	<hr/>
	£112,142	£192,747
	<hr/> <hr/>	<hr/> <hr/>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

13. DESIGNATED FUNDS

The Trustees have designated funds out of the unrestricted funds for specific purposes as follows:-

Retirement Fund	2024	2023
	£	£
At 1 January 2024	10,900,000	10,900,000
Balances at 31 December 2024	<u>£10,900,000</u>	<u>£10,900,000</u>

Retirement Fund

A fund has been designated for the Charity's commitment to provide for the retirement and care in old age of its members.

The Trustees have estimated that a fund of at least £8.9m will be required to make provision for the ongoing needs of members after taking account of their occupational pension rights. The Trustees have designated an investment portfolio and the deferred annuity contracts pension scheme established for certain sisters.

14. TANGIBLE FIXED ASSETS FUND

	2024	2023
	£	£
At 1 January 2024	2,164,746	1,645,296
Movements in year	(70,579)	519,450
Balances at 31 December 2024	<u>£2,094,167</u>	<u>£2,164,746</u>

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

15. ANALYSIS OF NET ASSETS

Fund balances at 31 December 2024 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	£	£	£	£
Tangible fixed assets	-	-	2,094,167	2,094,167
Investments	5,596,039	8,255,679	-	13,851,718
Current assets	1,023,615	2,644,321	-	3,667,936
Current liabilities	(112,142)	-	-	(112,142)
)
Total Net Assets	<u>£6,507,512</u>	<u>£10,900,000</u>	<u>£2,094,167</u>	<u>£19,501,679</u>

Fund balances at 31 December 2023 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	Restated £	£	£	Restated £
Tangible fixed assets	-	-	2,164,746	2,164,746
Investments	5,397,897	7,922,117	-	13,320,014
Current assets	395,157	2,977,883	-	3,373,040
Current liabilities	(192,747)	-	-	(192,747)
Total Net Assets	<u>£5,600,307</u>	<u>£10,900,000</u>	<u>£2,164,746</u>	<u>£18,665,053</u>

The total unrealised gains constitute movements on revaluation and are as follows:

	2024	2023
	£	£
Unrealised gains included above		
On investments	<u>£4,132,243</u>	<u>£3,527,267</u>
Reconciliation of movement of unrealised gains		
Unrealised gains at 1 January 2024	3,527,267	2,665,761
In respect to disposals in the year	19,112	(5,324)
Net gains/(losses) arising on revaluation in the year	585,864	866,830
Total unrealised gains at 31 December 2024	<u>£4,132,243</u>	<u>£3,527,267</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

16. ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Congregation of the Daughters of the Holy Ghost by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the English Province are vested in the Trustees of the charity, who undertake all transactions entered into the course of the Province's charitable activities.

17. LIABILITY OF MEMBERS

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.

18. CAPITAL COMMITMENTS

	2024 £	2023 £
Authorised but not contracted for	£-	£-

19. PRIOR YEAR RESTATEMENT

During the current year, the charity identified that a bank account, held in the charity's name but administered on behalf of a related overseas organisation, had not previously been included in the financial statements.

As a result, the prior year figures have been restated to include both the bank balance and a corresponding liability under creditors: amounts held on behalf of others.

The restatement has the following impact on the comparative balance sheet for the year ended 31 December 2023:

Affected item	As previously stated £	Adjustment £	Restated £
Current assets: cash	3,147,569	153,634	3,301,203
Creditors: amounts falling due within one year	(39,027)	(153,634)	(192,661)

There is no impact on the Statement of Financial Activities or total funds reported for the year.

20. POST BALANCE SHEET EVENTS

The Provincial House property in Northampton has been sold. The sale was completed on the 21st March 2025 and proceeds of £900k were received.

After planning permission was given approval, part of the land at St. Joseph's Convent Olney has been sold since the year end. The contract was signed by the Trustees on 26 May 2025 and the sale price was just over £2.3m.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

England & Wales - Charity number 1189174

Accounts



**CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(Registered Charity Number: 1189174)**

REPORT AND ACCOUNTS

31 DECEMBER 2023

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER **1189174**

CONSTITUTION

The Charity is governed by a Charitable Incorporated Organisation constitution registered with the Charity Commission on 23 April 2020

TRUSTEES OF THE CHARITY

Sister Anne Morris	Provincial Superior and trustee
Sister Margaret Abbott	Provincial Councillor and trustee
Sister Dympna Connolly	Provincial Councillor and trustee
Sister Eileen Gorman	Provincial Bursar and trustee

PRINCIPAL ADDRESS

Provincial House
22 Holyrood Road
NORTHAMPTON
NN5 7AH

BANKERS

Barclays Bank plc
PO Box 3261
Ashton House
497 Silbury Boulevard
MILTON KEYNES
BX3 2BB

SOLICITORS

Pothecary Witham Weld
84 Eccleston Square
Pimlico
LONDON
SW1V 1PX

INDEPENDENT AUDITOR

Buzzacott
130 Wood Street
LONDON
EC2V 6DL

INVESTMENT ADVISORS

Charles Stanley & Co. Limited
Ropemaker Place
25 Ropemaker Street
LONDON
EC2Y 9LY

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are pleased to present their report for the year ended 31 December 2023.

INTRODUCTION

The Congregation of the Daughters of the Holy Spirit (The Congregation) is an International Roman Catholic Religious Congregation with communities in England, Ireland, France, Nigeria, Cameroon, Burkina Faso, Chile, Peru and the U.S.A. It was founded in Brittany in 1706 where the Generalate is located. For administrative purposes it is divided into 3 provinces, 3 vice-provinces and one delegation, it is governed by its own constitution.

OBJECTS OF THE CHARITY

The accounts accompanying this report are the accounts of a charitable trust (The Charity) on which the assets of the Congregation in England are held. The objects of the Charity are to apply the Trust property either as capital or income for such charitable purposes which advance the religious and other charitable work for the time-being carried on by or under the direction of the society as the Trustees with the approval of the Superior shall from time-to-time think fit.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Province is administered by the Provincial Superior, her Councillors, and the Provincial Bursar who are appointed by the General Council. The Provincial visits each community at least once every 12 months.

The General Chapter of the Congregation, which is held every six years, took place in July and August 2021. Between Chapters, province meetings are held on an annual basis – to review the past year and to set objectives for the following year. The Provincial and her Council meet every month to discuss the needs of the Province. During 2023, we have gathered as a province at our convent in Olney.

The trustees of the charity are the members of the Provincial Council together with the Provincial Bursar. As all the trustees are members of the Congregation, they have a detailed knowledge of the work of the charity and of its structure. They meet on a monthly basis to review developments with regard to the charity and make important decisions. When necessary, they seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors, accountants and insurance broker. Regular financial reviews are carried out. The structure of the Congregation and its Council militates against dominance by any one individual. There is regular contact with the Generalate and the General Bursar, and the accounts are sent to them on an annual basis.

Training has taken place. Two trustees have attended the Bursar's Conference and followed zoom meetings, covering various topics related to their role as governors, for example safeguarding.

Key management

The Trustees consider that the key management of the Charity consists of themselves and, in particular, the Province Leader and Provincial Bursar to whom much of the running of the day-to-day operation devolves. As religious sisters, under a vow of poverty, the Trustees do not receive remuneration.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

IN ORDER TO REALISE OUR OBJECTIVES

1. We maintain 10 religious communities. The Sisters work in 10 parishes where, according to their age, capacities and training, they serve the local Catholic and Civic Community professionally or on a voluntary basis. We keep in mind the mission of the province and the objects of the Charity.
2. Sisters work in Spiritual Formation, Health and Pastoral Work ensuring each one has the necessary training which enables her to bring to her ministry:
 - Christian values
 - Attentiveness to the disadvantaged
 - Respect for the value and dignity of the individual
3. We provide for the needs of our sick and elderly sisters wherever they may be.

OUR MISSION

Rule of Life Ch1.: 'The first Daughters of the Holy Spirit chose to live together to serve the poor, the sick, the children.'

In our Trustees Report for 2023, we have given examples of some of the various ministries carried out by the sisters (The Daughters of the Holy Spirit) Ministries undertaken to **fulfil the charities objectives to care for the poor / the sick / and the deprived**. Key to enabling the charity to achieve its objectives is the contribution of individual members in volunteering their time.

We are committed to:

- providing spiritual support by inviting people to pray with us in our communities.
- working with the poor and deprived in the areas in which we live.
- visiting the, sick and elderly in hospital and in their own homes - providing spiritual support / friendship.
- supporting ecumenism and interfaith activities.
- working to promote justice and peace issues.
- supporting our Missions in France / Africa / Chile and Peru.

SPIRITUAL SUPPORT

Rule of life Ch.4.: 'We share in the prayer of the people among whom we live and it is with other believers that we try to hear the word that God speaks.'

Wistaston Hall, Crewe, is a centre where people can find peace, rest and an opportunity for prayer away from the stresses of daily life. Coming from the Catholic tradition it sponsors a range of events and hosts a wide variety of groups from different faiths and social backgrounds.

The story of Wistaston Hall goes back to the 12th century. The present house was built in the early 17th Century and is one of Cheshire's historic buildings with many local associations.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

SPIRITUAL SUPPORT (CONTINUED)

WISTASTON HALL, CREWE.



Throughout the year people can visit Wistaston Hall to make a private or directed retreat, other people come to enjoy a time of rest and relaxation.

Sr. Anne Donnelly

In November 2021 one of our sisters, Sr. Anne Donnelly, became a member of staff at Wistaston Hall. She is the assistant director and is responsible for the running of the centre in the absence of the director. She directs individually guided retreats. These retreats enable people to come for a time of silence and prayer. A retreat is a few days spent with the Lord. Time spent discovering the presence of Christ in the every-day events of our own lives. During this time Sr. Anne accompanies them on their journey.

She also facilitates chapters and assemblies for different religious congregations.

Mission to the poor and deprived.

UKRAINE

In 2022 Russia invaded Ukraine. This war has, and continues to, displaced many families. The men remained in Ukraine to fight and defend their country. Many of the women and children left Ukraine to live in safer areas of the world. Some of these refugees eventually arrived here in England.

The Government asked anyone who was able to do so, to offer them accommodation. We, the Daughters of the Holy Spirit offered the bungalow in the grounds of Provincial House, Northampton, to Galyna and her daughter Alexandra. After living in hotels in the town of Northampton, they arrived at Provincial House on the 13th June 2022.

The following account, describes the situation Galyna and her daughter found themselves in, as Russia began to bomb Kyiv. She tells of her journey first to Poland and then to safety in England.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

SPIRITUAL SUPPORT (CONTINUED)



My name is Galyna. I am 44 years of age and from Ukraine. I have a daughter aged 17. In 2011 we moved to Kyiv from Horshini Palvni as I sought a new career that might make a better future for us. It wasn't long before I was able to secure a good job working for a company dealing with wholesale foreign currency exchange. All was going well. We had a small but comfortable place to live and had a happy life. The year 2022 started full of hope. My daughter will be 18 this year, she will enter the University. I am extremely proud of the woman she is becoming. It has just been the two of us since she was one year old. She has worked hard at her studies and was doing very well at school. I hoped she would have a great future.

As we entered the new year, there were rumours of hostilities from Russia. This was nothing new, there had been conflict between Ukraine and Russia after they occupied some of our land in 2014. Whilst conscious of the hostilities, I didn't think too much about it. On the 24th February at 6.00am. we awoke to the sound of explosions. Followed shortly by the deafening sound of jets flying overhead.

I received a call from work advising me that with immediate effects my office was closing, but that I must go and close the premises. I headed out and saw that everywhere was closing. The only people on the streets were those with bags looking to get out of the city as fast as they could and pensioners too old to flee queuing to empty the food stores of what stock they had before they too would close. I secured the office as quickly as possible.

My daughter called in tears begging me to hurry. She was very scared as jets continued to fly overhead, whilst air raids sirens screamed out. I got back to our apartment. We grabbed a bag each and filled them with necessary documents, passport etc, what clothes we could fit in and one or two sentimental items. We then set off, for hoping to make our way to my parent's home in Kremenchuck. We didn't get far. The roads were blocked and people were shouting for us to get off the streets. We managed to get to a subway where we stayed until nightfall, finally we were able to make our way to Kremenchuck under the cover of dark.

There we quickly established a routine. We spent the days sitting in the subways and returned to my parent's apartment at night. This went on for a few days. It seemed like forever! We were constantly on edge never knowing when the next attack would hit. My daughter was terrified. I knew I had to get her out of Ukraine to safety.

I am fortunate to have some family in bordering Poland. They were obviously aware of what was happening and had invited us to come and stay with them for a while. They could offer a sofa to sleep on for a few days at a time and I could rotate between other distant relatives in Poland. I tried to persuade my parents to come with us, but they felt they would not be able to make the journey. They refused to leave, so I set off alone with my daughter.

We got to the train station. Everything was in chaos people piled on to every train that was able to depart. My daughter and I finally managed to board a train heading for the Polish border. We stood as the train was packed and there were no seats available. As we were waiting for the train to depart there was an almighty whoosh and an explosion nearby. The windows in the train station were shattered sending shards of glass everywhere. The building close by the Ministry for Internal affairs received a direct hit. The lights in the train went out and we stood in the darkness for four hours. We were told not to use mobile phones or make a noise as we waited for the next explosion. Praying it would not hit us.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

SPIRITUAL SUPPORT (CONTINUED)

We finally got on our way and arrived at the polish border. We had missed our bus to Warsaw. We spent the night at the station waiting for the next bus which arrived the following morning. Once in Warsaw we spent a few days with our relatives but it was clear that they could not house us for any length of time. Their offer was kind and much appreciated, but it was not practical to sleep myself and my daughter on a sofa together in a small apartment. We had no choice but to register as refugees.

We were found a temporary place in a hotel. I used this time to try and find something more permanent. It was during this time that the UK opened up – Homes for Ukraine scheme. A distant acquaintance had had registered and offered us a room in England. We gladly accepted, even though I spoke almost no English. I completed my paperwork and after a total of four weeks in Poland, I headed for the UK and safety.

My intention was to learn English and find work in England as soon as possible. I have been independent for so long, I hated being reliant on others. We had been with our sponsor for just a few days when it became very apparent this was not the safe-place we thought it would be. I felt I had made a terrible mistake, but didn't know what to do about it. The two of us stayed in our bedroom as much as possible. I didn't dare to leave my daughter's side. After two weeks, representatives of the Consulate came to check the living conditions. I shared my concerns with them and what we had witnessed. They took immediate action to get us out of there and into emergency accommodation. Over the next four weeks we were moved from hotel to hotel, but at least we felt safe if a little insecure. I started to learn the English language and even managed to find a job. It was just warehouse work paying minimal wage, but I could do this without the need to speak English.

After four weeks I received the good news that the Daughters of the Holy Spirit had offered to help us. I was taken to meet them and was overwhelmed by their warmth, kindness and hospitality. Finally, somewhere we could start to calm down. The sisters were very welcoming and friendly and we felt safe with them. We could not have hoped for more. I wish I could have expressed my gratitude better, but my English was still very limited.

I would like to take this opportunity to thank them from the bottom of my heart for the help and compassion that they have shown me and my daughter. After some of the sights I have witnessed this year, I cannot express how comforting it is to know that there are such good people in this world.

I have just recovered from surgery to remove a tumour from my throat and am happy to be able to work as many hours as possible. I have a zero hours contract so take whatever is available and my English is improving. I am trying to save for a deposit on a rental property so I can be independent when I have to leave the Daughters of the Holy Spirit's accommodation in ten weeks- time. The future is still very uncertain as I understand it will not be straightforward for someone with no UK credit score to rent a home, but for now I take strength from the fact that I see the smile has returned to my daughters face and she is settling into life here very well. She has made friends through college and I hope that she is able to enjoy what remains of her childhood.

There are moments when it hits me what has happened and how I have found myself to be here and in this situation. It all seems to play out like a movie in my mind, almost as if it was something I witnessed, but didn't really happen to me. That being said, I consider myself extremely fortunate. Many of my countrymen have not been so lucky. I still have family and friends in Ukraine who I am very worried about. I am preparing myself for the next big challenge that December will bring. I know that whatever happens, things could have been much worse for us.

Galyna and her daughter Alexandra



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

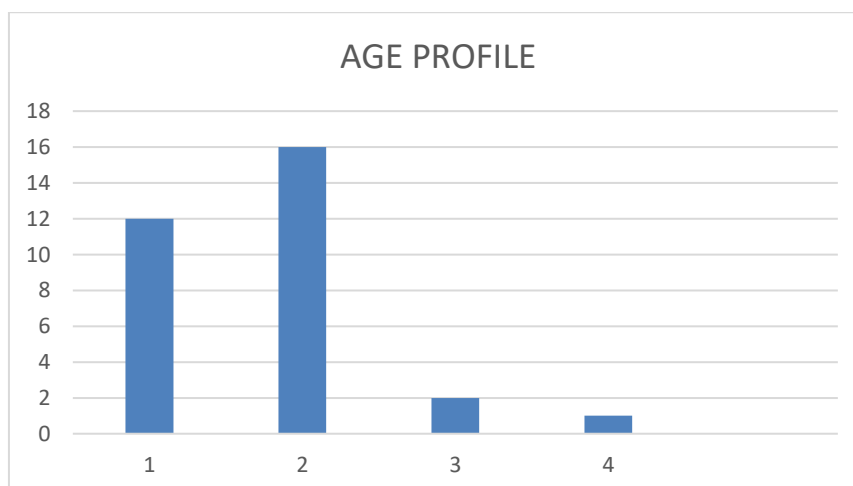
FOR THE YEAR ENDED 31 DECEMBER 2023

Areas in which Sisters give voluntarily of their time, are given in the table.

Care of our own elderly / frail Sisters	Care Unit closed March 21
Volunteer work / Hospital / Hospice visiting	5 hours per week
Visits to housebound / sick / elderly people	7 hours per week
Visits to residential Homes	19 hours per week
Teaching English to Foreign Students	10 hours per week
Working for Justice and Peace Issues	14 hours per week
Empowering Education in Africa	20 hours per week
Ecumenism / Inter- faith	21 hours per week
Working as a Parish Sister	90 hours per week
Society of St. Vincent de Paul	10 hours per week
Spiritual Formation / Spiritual Direction	77 hours per week
Chaplaincy—Hospital / School / Detention Centre	13 hours per week
Bereavement work with Adults / Children	7 hours per week
Work with Asylum Seekers	5 hours per week
Centres for Homeless People	14 hours per week
Work with the homeless in Bosnia	12 hours per week
Pastoral / Parish Support Worker	13 hours per week
Administration	70 hours per week
Care of our own elderly / frail Sisters	Care Unit closed March 21

Caring for Members The age profile of the members of the EIW Province is increasing. The age profile in England, Ireland and Wales is shown graphically below.

**Age Range 2022 1 = 12 sisters 85+. 2 = 16 sisters 75+. 3 = 2 sisters 60+. 4 = 1 sisters 40+
TOTAL NUMBER OF SISTERS 2022 = 31**



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The nursery in Koudougou – Burkina Faso

We the Daughters of the Holy Spirit, opened a nursery school in Koudougou, Burkina Faso, September 2020. The construction of this nursery school has continued, extra rooms have been built and various facilities added. It was completed in 2022.

The children are now in a safe environment, happily playing with a variety of games.

These children and their parents are living in an atmosphere of permanent insecurity.

The terrorist attacks have forced more than 500,000 people to leave their homes and their villages, to escape death. Some of them have found refuge with relatives or friends.

The Daughters of the Holy Spirit continue to do what they can, in the areas in which they live, to provide support and help to these displaced families.



Touroua – Cameroon

The Congregation has built new dormitory blocks equipped with beds, for young girls attending the school. The young girls who live far from the school are accommodated here. They have the opportunity to do their own cooking.

In this photograph the young girls are sitting in front of their kitchen utensils.



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

RISK MANAGEMENT

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the Charity should those risks materialise.

The key risks identified include the age profile of the sisters and the need to ensure that charity has sufficient resources to continue to care for them and their needs. This is mitigated through the existence of the retirement fund represented by the charity's investments. Listed investments are subject to stock market movements – both up and down. The risk is mitigated by the fact that the charity uses professional managers and monitors performance regularly. Donations sent overseas are sent by bank transfer and reports are always obtained confirming receipt and use of the funds.

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 by the charity, they have established effective systems to mitigate those risks.

FUNDRAISING POLICY

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

A summary of the results for the year ended 31 December 2023 can be found on page 16 of this report and accounts.

Total income for the year was £985.4k (2022: £1,230k). It included investment income of £381.9k (2022: £345.7k) and voluntary income of £603.5k (2022: £630.3k). 2022 also included gains on foreign exchange of £3.5k and a net surplus on the disposal of tangible fixed assets of £247.8k. Voluntary income includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid.

Expenditure for the year to 31 December 2023 amounted to £1,140k (2022: £1,050k). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

Net expenditure before investment gains for the year amounted to £156.0k (2022: net income of £177.3k). Investment gains amounted to £884.2k (2022: losses of £1,720k). The overall result was a net increase in funds of £728.2k (2022: a net decrease in funds of £1,540k).

INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Charles Stanley & Co. Limited. 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 excluding investment in any company which has significant business interests in activities which are contrary to the teachings of the Christian Church

INVESTMENT PERFORMANCE

The Trustees meet with the fund managers once every four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the Charity. The target set for the fund manager is to achieve a certain return of both income and capital growth with no more than a moderate level of risk, within the ethical guidelines set out by the Trustees.

In the year the portfolio generated a total return of around +9.2% (2022: -12.0%). This was broadly in line with the returns shown by published benchmarks for the performance of charity portfolios in the year. The Trustees, therefore, are satisfied with the returns generated but will continue to monitor investment performance closely.

RESERVES POLICY

The Charity requires investment in tangible fixed assets to enable it to continue its charitable work. A fund of £2.16m (2022: £1.65m) has been designated to reflect the amount of reserves represented by tangible fixed assets.

The Charity also has an ongoing commitment to provide for the retirement and old age of Sisters, none of whom have resources of their own. The funds set aside for this purpose have been assessed and the calculations, based on annuity tables, indicated that a fund of approximately £10.9m is needed. At the end of the year, the Fund designated for this purpose was £10.9m (2022: £10.9m).

Undesignated Funds stood at just over £5.6m (2022: £5.4m), which is broadly equivalent to five years' expenditure and is thus above the target range of approximately three years' expenditure. However, the investment losses suffered in the previous year, highlight the transitory nature of some asset values. The Trustees, therefore, consider the level of the Charity's reserves to be adequate but not excessive.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

FUTURE PLANS

- ◆ To enable all members of their Congregation to continue with their individual ministries for as long as possible. In some communities it is now necessary to install adaptations in order to aid and improve the quality of life of the sisters, thus allowing them to remain and work in their local parishes.
- ◆ To continue to provide ongoing care for our sick and elderly sisters in third-party owned care homes following the closure of our own care facility in Olney in March 2021.
- ◆ To continue to contribute financially to the upkeep and mission of the communities in Africa, Latin America, and to the functioning of the Generalate in France.
- ◆ To provide opportunities for on-going formation for our sisters at all stages of life including exchanges from other units of the Congregation. (General Chapter 2008).
- ◆ To review and rationalise, where possible, the Charity's properties. To this end we are planning to sell the building which is currently used as the Provincial House during 2024.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that 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, 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.

The Trustees are responsible for the maintenance and integrity of the charity and finance information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Trustees on 17th Oct 2024 and signed as authorised on their behalf by: Eileen H. Gorman

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

Opinion

We have audited the accounts of the Congregation of the Daughters of the Holy Spirit CIO (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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

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 director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

- ◆ Making enquiries of management and representatives from the trustees 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;
- ◆ Reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing on 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF THE CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

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

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 us as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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

Use of our report

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



21 October 2024

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 Total £	2022 Total £
INCOME			
Donations and legacies	1	603,507	630,341
Investment income and interest receivable	2	381,870	345,670
Other Income			
(Loss)/gain on translation of foreign currencies		(551)	3,463
Surplus on disposal of fixed assets	3	-	247,818
Total income		<u>984,826</u>	<u>1,227,292</u>
EXPENDITURE on			
Cost of raising funds			
Investment management fees		58,575	71,519
Charitable expenditure			
Costs of charitable activities	4	1,082,231	978,460
Total expenditure		<u>1,140,806</u>	<u>1,049,979</u>
Net (expenditure)/ income before gains/(losses) on investments		(155,980)	177,313
Net gains/(losses) on investments		884,177	(1,717,576)
Net income/(expenditure) ad net movement in funds for the year		<u>728,197</u>	<u>(1,540,263)</u>
Reconciliation of funds			
Fund balances brought forward		17,936,856	19,477,119
Fund balances carried forward		<u><u>£18,665,053</u></u>	<u><u>£17,936,856</u></u>

All of the above activities derived from continuing activities. The statement of financial activities includes all gains and losses recognised in the year.

All of the above income and expenditure related to unrestricted funds in the above year.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		2,164,746		1,645,296
Investments	11		13,320,014		11,511,329
			<u>15,484,760</u>		<u>13,156,625</u>
CURRENT ASSETS					
Debtors	12	71,751		86,125	
Cash at bank and in hand		3,147,569		4,728,619	
		<u>3,219,320</u>		<u>4,814,744</u>	
CREDITORS: Amounts falling due within one year	13	<u>(39,027)</u>		<u>(34,513)</u>	
NET CURRENT ASSETS			<u>3,180,293</u>		<u>4,780,231</u>
TOTAL NET ASSETS			<u><u>£18,665,053</u></u>		<u><u>£17,936,856</u></u>
Represented by:					
General fund			5,600,307		5,391,560
Designated funds	14		10,900,000		10,900,000
Tangible fixed assets fund	15		2,164,746		1,645,296
			<u>£18,665,053</u>		<u>£17,936,856</u>

Approved by the trustees and signed on their behalf by:

Approved by the Council of Trustees on 17th Oct 2024 and signed on its behalf by Eileen H. Gorman.

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(442,837)	(148,573)
Cash flows from investing activities		
Dividends and interest from investments	381,870	345,670
Payments to acquire tangible fixed assets	(595,575)	(492,375)
Receipts from sales of fixed assets	-	333,057
Payments to acquire investments	(1,028,709)	(716,365)
Receipts from sales of investments	104,201	781,255
Net cash (used in)/provided by investing activities	(1,138,213)	251,242
Change in cash and cash equivalents in year	(1,581,050)	102,669
Cash and cash equivalents at 1 January 2023	4,728,619	4,625,950
Cash and cash equivalents at 31 December 2023	£3,147,569	£4,728,619
	£	£

Notes to the Statement of Cash Flows

A. Reconciliation of net movement in funds to net cash flow from operating activities

Net movement in funds

(as per the Statement of Financial Activities) 728,197 (1,540,263)

Adjustments for

(Gains)/Losses on investments (884,177) 1,717,576

Dividends and interest from investments (381,870) (345,670)

Depreciation 76,125 67,971

Net surplus on disposal of tangible fixed assets - (247,818)

Decrease in debtors 14,374 204,461

Increase/(Decrease) in creditors 4,514 (4,830)

Net cash used in operating activities £(442,837) £(148,573)

B. Analysis of cash and cash equivalents

Cash at bank and in hand 3,147,569 4,728,619

Total cash and cash equivalents **£3,147,569** **£4,728,619**

C. Analysis of changes in net cash funds

	At 1 January 2023 £	Cashflow £	At 31 December 2023 £
Cash at bank and in hand	£4,728,619	£(1,581,050)	£3,147,569

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

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2023.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (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 key areas in the accounts where these judgements and estimates have been made relate to estimating the useful economic life of tangible fixed assets for the purpose of determining an annual depreciation charge and determining the amount to be set aside as a designated fund to provide for the retirement and care of the Sisters.

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 31 December 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (please see the investment policy and the risk management sections of the trustees' report for more information).

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Income recognition

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

Income comprises donations, investment income 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 being transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds due under the contract for sale and the net book value of the relevant asset prior to disposal less those direct costs, including legal fees, incurred in connection with the disposal. The surplus is accounted for at the time of legal completion.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Expenditure recognition

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

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

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

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

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants, where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released, are not accrued for but are disclosed as financial commitments in the notes to the accounts.

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.

Support costs and governance costs are allocated directly to the support of members of the Congregation and their ministry.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Tangible fixed assets

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

◆ ***Freehold land and buildings***

Freehold properties are included at cost with the exception of those which were owned at 31 December 1996 and for which cost figures were not available when the accounting requirements of the Charities Act came into force. These have been included at a Trustees' valuation determined as at that date and this is now the deemed cost of such assets. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.

◆ ***Leasehold land and buildings***

Leasehold properties are included at cost the value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.

◆ ***Fixtures, fittings and office equipment***

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a four-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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value, if 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.

The Charity has established a pension scheme for certain Sisters. The scheme is a Deferred Annuity Contract whereby a certain guaranteed sum is payable to the charity at a fixed future date. No current value can be attributed to the contract as future returns are dependent on bonuses which in turn depend on investment return and inflation. Therefore the asset included in the balance sheet in respect to this scheme is valued on the basis of premiums paid to date in respect to Sisters still in the scheme. Receipts on maturity are recognised as investment gains net of the relevant premiums paid and the annual premiums are included as additions to the Deferred Annuity Contract.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

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

Services provided by members of the Congregation

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

Foreign currencies

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

Pension contributions

Contributions in respect of the Charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The Charity's contributions are restricted to the contributions due for the year. There were no outstanding contributions at the year end. The Charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. DONATIONS AND LEGACIES	2023 Total £	2022 Total £
Sister salaries and pensions donated	571,268	595,840
Contribution to costs from Generalate of the Congregation	20,000	-
Other donations	12,239	34,501
	<u>£603,507</u>	<u>£630,341</u>
2. INVESTMENT INCOME AND INTEREST RECEIVABLE	2023 Total £	2022 Total £
Bank interest	44,292	6,160
Income from listed investments	337,578	339,510
	<u>£381,870</u>	<u>£345,670</u>
3. SURPLUS ON DISPOSAL OF FIXED ASSETS	2023 Total £	2022 Total £
Property		
Proceeds net of disposal costs	-	331,357
Net book value	-	(74,452)
	<u>-</u>	<u>256,905</u>
Other		
Proceeds net of disposal costs	-	1,700
Net book value	-	(10,787)
	<u>-</u>	<u>(9,087)</u>
	<u>£-</u>	<u>£247,818</u>
4. CHARITABLE EXPENDITURE	2023 Total £	2022 Total £
Support of members of the Congregation and their ministry		
Sisters' Living Expenses	516,691	556,068
Staff costs (Note 7)	41,840	43,663
Premises	214,469	223,438
Education, Training & Spiritual Renewal	42,330	30,402
Administration	111,084	50,975
Overseas Mission	129,114	59,578
Other	3,633	56
Governance costs (Note 5)	23,070	14,280
	<u>£1,082,231</u>	<u>£978,460</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

5. GOVERNANCE COSTS

	2023 Total £	2022 Total £
Auditor's remuneration		
Current year	12,500	9,600
Prior year under-/ (over-) provision	2,400	(3,240)
	<hr/> 14,900	<hr/> 6,360
Other	8,170	7,920
	<hr/> £23,070	<hr/> £14,280
	<hr/> <hr/>	<hr/> <hr/>

6. NET (EXPENDITURE)/INCOME

	2023 £	2022 £
This is stated after charging/(crediting):		
Staff costs (see note 7)	41,840	43,663
Auditor's remuneration (including VAT)	14,900	6,360
Depreciation	76,125	67,971
Loss/(gain) on currency conversion	551	(3,463)
Surplus on disposal of tangible fixed assets	-	(247,818)
	<hr/> <hr/>	<hr/> <hr/>

7. STAFF COSTS

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	41,361	41,093
Social security costs	-	-
Other pension costs	479	474
	<hr/> 41,840	<hr/> 41,567
Statutory redundancy pay	-	2,096
	<hr/> £41,840	<hr/> £43,663
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees (analysed by function) was:

	2023	2022
Support of members of the Congregation and their ministry	5	5
	<hr/> <hr/>	<hr/> <hr/>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) during the year

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

8. KEY MANAGEMENT, TRUSTEES' EXPENSES & REMUNERATION AND TRANSACTIONS WITH RELATED PARTIES

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 Trustees.

As members of the Congregation, none of the Trustees have resources of their own. As well as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total donated by the Trustees was £101,467 (2022: £91,718).

Except for the above, there were no other related party transaction during the period of report (2022: no other transactions).

9. TAXATION

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. TANGIBLE FIXED ASSETS	Residential Properties Freehold	Residential Properties Leasehold	Fixtures and Equipment	Motor Vehicles	Total
	£	£	£	£	£
COST OR VALUATION					
At 1 January 2023	2,473,262	279,766	19,679	121,362	2,894,069
Additions	595,575	-	-	-	595,575
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2023	3,068,837	279,766	19,679	121,362	3,489,644
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1 January 2023	1,123,900	5,596	15,466	103,811	1,248,773
Charge for the year	61,377	5,596	2,106	7,046	76,125
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2023	1,185,277	11,192	17,572	110,857	1,324,898
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 31 December 2023	<u>£1,883,560</u>	<u>£268,574</u>	<u>£2,107</u>	<u>£10,505</u>	<u>£2,164,746</u>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2022	<u>£1,349,362</u>	<u>£274,170</u>	<u>£4,213</u>	<u>£17,551</u>	<u>£1,645,296</u>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

11. INVESTMENTS	2023 Total £	2022 Total £
Value at 1 January 2023	11,511,329	13,293,795
Less: Disposals (At opening market value. Realised gains: £17,347)	(86,854)	(932,750)
Add: Acquisitions	1,028,709	716,365
Net gains/(losses) on revaluation	866,830	(1,566,081)
	<u>£13,320,014</u>	<u>£11,511,329</u>
At Market Value:		
Listed on UK Stock Exchange	12,647,382	11,006,645
Bank deposits	650,561	483,318
	<u>13,297,943</u>	<u>11,489,963</u>
At Cost:		
Deferred annuity contracts	22,071	21,366
	<u>£13,320,014</u>	<u>£11,511,329</u>
Cost of Investments At 31 December 2023	<u>£9,792,747</u>	<u>£8,845,568</u>

All investments other than cash and deferred annuity contracts are quoted on a recognised UK Stock Exchange or are valued by reference to investments listed on a recognised Stock Exchange.

12. DEBTORS	2023 £	2022 £
Monies held by solicitors pending property purchase	-	8,630
Prepayments	71,751	77,495
	<u>£71,751</u>	<u>£86,125</u>
13. CREDITORS: Amounts falling due within one year	2023 £	2022 £
Accruals	<u>£39,027</u>	<u>£34,513</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

14. DESIGNATED FUNDS

The Trustees have designated funds out of the unrestricted funds for specific purposes as follows:-

Retirement Fund	2023	2022
	£	£
At 1 January 2023	10,900,000	10,900,000
Balances at 31 December 2023	<u>£10,900,000</u>	<u>£10,900,000</u>

Retirement Fund

A fund has been designated for the Charity's commitment to provide for the retirement and care in old age of its members.

The Trustees have estimated that a fund of at least £8.9m will be required to make provision for the ongoing needs of members after taking account of their occupational pension rights. The Trustees have designated an investment portfolio and the deferred annuity contracts pension scheme established for certain sisters.

15. TANGIBLE FIXED ASSETS FUND

	2023	2022
	£	£
At 1 January 2023	1,645,296	1,306,131
Movements in year	519,450	339,165
Balances at 31 December 2023	<u>£2,164,746</u>	<u>£1,645,296</u>

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

16. ANALYSIS OF NET ASSETS

Fund balances at 31 December 2023 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	£	£	£	£
Tangible fixed assets	-	-	2,164,746	2,164,746
Investments	5,397,897	7,922,117	-	13,320,014
Current assets	241,437	2,977,883	-	3,219,320
Current liabilities	(39,027)	-	-	(39,027)
Total Net Assets	<u>£5,600,307</u>	<u>£10,900,000</u>	<u>£2,164,746</u>	<u>£18,665,053</u>

Fund balances at 31 December 2022 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	£	£	£	£
Tangible fixed assets	-	-	1,645,296	1,645,296
Investments	4,148,074	7,363,255	-	11,511,329
Current assets	1,277,999	3,536,745	-	4,814,744
Current liabilities	(34,513)	-	-	(34,513)
Total Net Assets	<u>£5,391,560</u>	<u>£10,900,000</u>	<u>£1,645,296</u>	<u>£17,936,856</u>

The total unrealised gains constitute movements on revaluation and are as follows:

	2023	2022
	£	£
Unrealised gains included above		
On investments	<u>£3,527,267</u>	<u>£2,665,761</u>
Reconciliation of movement of unrealised gains		
Unrealised gains at 1 January 2023	2,665,761	4,632,495
In respect to disposals in the year	(5,324)	(400,653)
Net gains/(losses) arising on revaluation in the year	866,830	(1,566,081)
Total unrealised gains at 31 December 2023	<u>£3,527,267</u>	<u>£2,665,761</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

17. ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Congregation of the Daughters of the Holy Ghost by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the English Province are vested in the Trustees of the charity, who undertake all transactions entered into the course of the Province's charitable activities.

18. LIABILITY OF MEMBERS

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.

19. CAPITAL COMMITMENTS

	2023	2022
	£	£
Authorised but not contracted for	£-	£580,000

The above commitment related to the purchase of a property in Lucan, Dublin.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

England & Wales - Charity number 1189174

Accounts

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(Registered Charity Number: 1189174)

REPORT AND ACCOUNTS

31 DECEMBER 2022

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER **1189174**

CONSTITUTION

The Charity is governed by a Charitable Incorporated Organisation constitution registered with the Charity Commission on 23 April 2020.

TRUSTEES OF THE CHARITY

Sister Anne Morris	Provincial Superior and trustee
Sister Margaret Abbott	Provincial Councillor and trustee
Sister Dympna Connolly	Provincial Councillor and trustee
Sister Eileen Gorman	Provincial Bursar and trustee

PRINCIPAL ADDRESS

Provincial House
103 Harlestone Road
NORTHAMPTON
NN5 7AQ

BANKERS

Barclays Bank plc
PO Box 3261
Ashton House
497 Silbury Boulevard
MILTON KEYNES
BX3 2BB

SOLICITORS

Pothecary Witham Weld
70 St George's Square
LONDON
SW1V 3RD

AUDITOR

Buzzacott LLP
130 Wood Street
LONDON
EC2V 6DL

INVESTMENT ADVISORS

Charles Stanley & Co Limited
55 Bishopsgate
LONDON
EC2N 3AS

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees are pleased to present their report for the year ended 31 December 2022.

The charity (Registered Charity Number: 1189174) became active at midnight on 31 December 2020, when all the assets, liabilities, commitments and activities of the predecessor charitable trust (The English Province of the Congregation of the Daughters of the Holy Ghost – Registered Charity Number: 234520) were transferred to the CIO. Details of the transfer are set out in note 21 to the financial statements.

The Congregation of the Daughters of the Holy Spirit (The Congregation) is an International Roman Catholic Religious Congregation with communities in England, Wales, Ireland, France, Nigeria, Cameroon, Burkina Faso, Chile, Peru and the U.S.A. It was founded in Brittany, where the Generalate is located, in 1706. For administrative purposes it is divided into 3 provinces and 3 vice-provinces and one delegation. It is governed by its own constitution.

OBJECTS OF THE CHARITY

The object of the CIO is such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Province as the Trustees with the approval of the Provincial Superior shall from time to time think fit. If the province shall cease to exist or shall cease to carry on any charitable work then the assets may be applied for such lawful charitable purposes which advance the religious and charitable work for the time being carried on by or under the direction of the Congregation.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Province is administered by the Provincial Superior, her Councillors, and the Provincial Bursar who are appointed by the General Council. The Provincial visits each community at least once every 12 months.

The General Chapter of the Congregation, which is held every six years, took place in July/August 2021. Between Chapters, province meetings are held on an annual basis to review the past year and to set objectives for the following year. The Provincial and her Council meet every month to discuss the needs of the Province. This year, some meetings of the sisters in the Province have taken place by Zoom but we have also gathered as a Province.

The trustees of the charity are the members of the Provincial Council, together with the Provincial Bursar. As all the trustees are members of the Congregation, they have a detailed knowledge of the work of the charity and of its structure. They meet on a monthly basis to review developments with regard to the charity and make important decisions. When necessary, they seek advice and support from the charity's professional advisers including its property consultants, investment managers, solicitors, accountants and insurance brokers. Regular financial reviews are carried out. The structure of the Congregation and its Council militates against dominance by any one individual. There is regular contact with the Generalate and the General Bursar, and the accounts are sent to them on an annual basis.

Training has taken place during the year: two trustees have attended the Bursar's Conference and all the Trustees have followed Zoom meetings, covering various topics related to their role as governors, for example, Safeguarding, modern day slavery, climate justice, health and care of the elderly, and an employment law update.

Key management

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

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

IN ORDER TO REALISE OUR OBJECTIVES

1. We maintain 10 religious communities. The Sisters work in 10 parishes where, according to their age, capacities and training, they serve the local Catholic and Civic Community professionally or on a voluntary basis. We keep in mind the mission of the province and the objects of the charity.
2. Sisters work in Spiritual Formation, Health and Pastoral Work ensuring each one has the necessary training which enables her to bring to her ministry:
 - ◆ Christian values
 - ◆ Attentiveness to the disadvantaged
 - ◆ Respect for the value and dignity of the individual
3. We provide for the needs of our sick and elderly sisters wherever they may be.

OUR MISSION

Rule of Life Ch.1: 'The first Daughters of the Holy Spirit chose to live together to serve the poor, the sick, the children.'

Below, we give examples of some of the various ministries carried out by the sisters (The Daughters of the Holy Spirit), undertaken to fulfil the charity's objectives to care for the poor, the sick and the deprived. Key to enabling the charity to achieve its objectives is the contribution of individual members in volunteering their time. We are committed to:

- Providing – spiritual support by inviting people to pray with us in our communities.
- Working with the poor and deprived in the areas in which we live.
- Visiting the sick and elderly in hospital and in their own homes – providing spiritual support and friendship.
- Supporting ecumenism and interfaith activities.
- Working to promote justice and peace issues.
- Supporting our Missions in France, Africa, Chile and Peru.

Spiritual Support

Rule of life Ch.4: 'We share in the prayer of the people among whom we live and it is with other believers that we try to hear the word that God speaks.'

We received the following letter from a parishioner attending St. Lawrence's Church, Olney:

*Dear Sisters,
I would like to thank you, the sisters, for the way you have brought the service of 'the stations of the Cross' to involve so many of the parishioners. To see all the people so directly involved in remembering the last journey of Jesus was, very genuinely, one of the best experiences I have had as a Christian.
I have known for many years that you have helped to bring holiness into Our Lady and St. Laurence Parish, last night was a perfect illustration.
God Bless You,
Charles.*



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Spiritual Direction



Sister Anne Morris was previously deputy director in a retreat centre. She now combines her work of province leader with spiritual direction. She directs 20 people living in various parts of the country. Previously conducting face-to-face meetings, Sister Anne has carried out this mission throughout the pandemic by Zoom meetings and telephone conversations. The participants have appreciated the continuity of her input at a time when the country was in lockdown.

One participant writes:

Last year I was presented with the issue of having to find a new Spiritual director. I was uncertain as to how this would work out, given the ongoing pandemic situation. Not only was I aware that some directors may not be comfortable working in a “virtual” environment, but

I also had personal reservations about how comfortable I would feel about establishing a new spiritual direction relationship when it would be impossible to meet together face to face.

Looking back and reflecting on the way this new relationship has developed, I realise just how important it was to trust the flexible and dynamic nature of the process. It was also important for me to build trust in my director and feel that I was being held in a safe space where I could share what I needed to share about my spiritual journey alongside my day-to-day life and experience. This need for a safe space and a compassionate gaze seems heightened in the isolation and restrictions of lockdown.

Although Spiritual Direction on Zoom is different in many ways from a face-to-face encounter there are so many essential elements that still hold true even in a “virtual” world. When a director really pays attention and listens deeply this can be communicated to the directee in spite of the limitations of Zoom.

Over the past year my time of spiritual direction has become a really important time of sharing, and reflection. A time when I feel that I am not doing this journey on my own, but in the company of fellow travellers. I am looking forward to the time when my director and I can meet face-to-face, however, because in her words: “After all, we don’t even know how tall we both are!”

Rule of Life Ch.5: ‘We must hear the cry of the poor and make it our own.’

Northampton Cathedral Centre



Over the last three years a project group led by Bishop Peter Doyle has worked to develop plans for a new purpose-built Cathedral Centre. The Cathedral is home to a vibrant, committed and active Catholic community which has been increasing and the limitations of current facilities have prevented the Cathedral from hosting gatherings or offering hospitality to visitors and worshippers.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Northampton Cathedral Centre (continued)

The new Centre will deliver a venue for diocesan events such as days of recollection, catechetical programmes, musicians lay formation and training courses, educational and celebratory events. Rooms available to parishes and groups with a common interest drawn from across the diocese.

Although the above centre is now ready for use, due to the pandemic, it has not been possible to use it as planned. Nevertheless, the Roman Catholic Diocese of Northampton is delighted to welcome a new initiative in a brand-new building!



Thirty-two families received boxes of food donated through Revolution Zero. The delivery and packing service aims to reach those in most need across the town of Northampton over the coming months. Ten volunteers work to make this project a reality at a time when we know many families need it most. The project was housed temporarily at St Thomas Becket School until the completion of the building at the Cathedral. The partnership between the school and Cathedral has made a great impact on those receiving the food who are always so grateful.

The St Thomas Centre is based at The Catholic Cathedral on Primrose Hill in Northampton. The centre has been almost eight years in the planning and four years in the building. Dean of the Cathedral, Canon Mark Floody said:

"We always said that we wanted this facility to serve the local community and especially those in most need. I am delighted that this project is the first to happen in our new centre and I hope that it is the beginning of a fresh mission here in Northampton".

It is hoped that the food store project will give life to the building and the town at a time when many people are struggling.

A sister from the Provincial House community volunteers her time, packing the food and then delivering it week after week, to support those in need.

Mission to the poor and deprived

One of our sisters has become a patron of this Charity and also supports it through fund raising.

Street Talk was founded in 2005 by an NHS therapist. She realised that women in street-based prostitution found themselves excluded from care. She contacted an umbrella organisation for people involved in prostitution and asked whether there was any mental health help out there for them. Very kindly, they circulated her original email to those in the sector and she was inundated with responses telling her there was nothing for those people. She decided to try to discover for herself whether there was a way of making therapy accessible to women in street prostitution.



She found her way to Maze Marigold, a drop-in service for women in street-based prostitution in Dalston. It was in a beaten up, open plan, church hall with a toilet with no door. I introduced myself to the women in the drop-in and listened to them and gradually, over months, they came to trust me and ask for me and that is how it started.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Mission to the poor and deprived (continued)

Ruth grew up in care and missed out on her education as she was frequently moved between foster homes.

When she came to Street Talk, she was in her late twenties and on crutches as a result of falling from a balcony while high on drugs. At that time, she was very mentally unwell, homeless, sex working and using drugs.

Over time Ruth formed a good relationship with her counsellor who very quickly saw what an intelligent woman she was. Gradually her mental health improved and her use of drugs reduced. After eight months she began to talk about what she might like to do with her own life and to start to dream about what she might be capable of.



The person working for Street Talk in this area writes:

“These last few years have been a time, dominated by the pandemic. Your continued support for this work has helped women already on the margins, made even more vulnerable by the pandemic. Lockdown changed the landscape for our women overnight. Many have no recourse to public funds and subsist on a £5.00 daily asylum seekers’ allowance. They rely on day centres for hot food and for company.

In spite of all that has been going on this year, there have been some positives. Street Talk has two new patrons, filmmaker Ken Loach and the Provincial of the Daughters of the Holy Spirit, Sr. Anne Morris”.

We, the Daughters of the Holy Spirit, are in the process of selling one of our properties in Wales. We retained any items that will be of help and support to these women who live on the margins. They are grateful to receive bedding, kitchen utensils, small items of furniture if they have a room or accommodation. Sister Anne receives other donations such as toys for the children, these are also very welcome. Any items not needed by the women, are given to Pippa (the lady in the photograph and the founder of Street Talk), who sells them on her stall in Hitchin Market to provide money to fund Street Talk.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

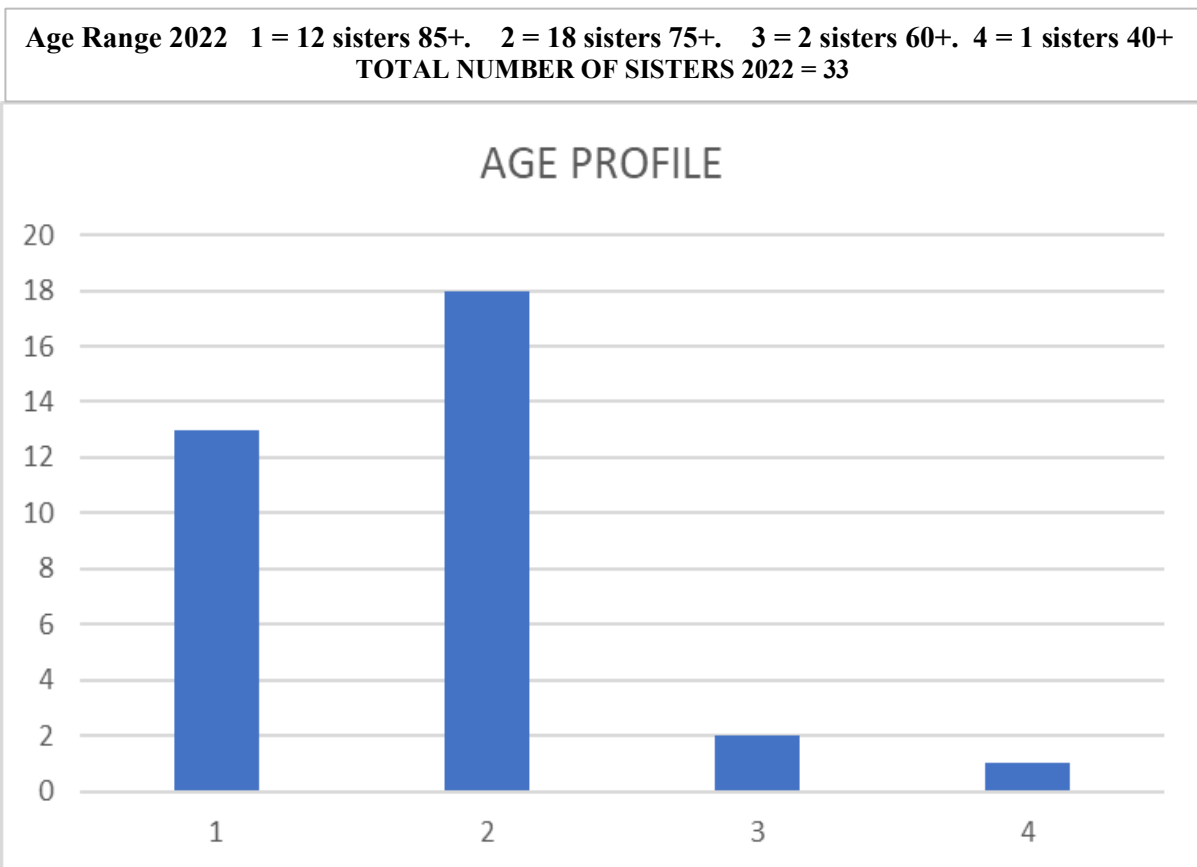
Mission to the poor and deprived (continued)



Toys and children's clothes donated to support Street Talk.

Caring for Members

The age profile of the members of the EIW Province is increasing. The age profile in England, Ireland and Wales is shown graphically below.



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Marie Balavenne Catholic College, Ilogbo, Nigeria

The sisters in the Province have retained close links with our mission in Nigeria, as that Vice Province was founded by Irish and English sisters in 1964.

In 2021 work on the school complex in Ilogbo continued, in spite of Covid. A building to accommodate male students was built between 2020 and 2021



The completed sleeping area is L- shaped. It comprises twelve rooms for the students, two rooms for the boarding supervisors, plus toilets and showers. The students used to sleep in classrooms that had been temporarily converted into dormitories.

The cost of the work was around 365,000 euros, financed by the Congregation. In pounds about £314,000.



The building was completed in the summer of 2021 and the students were able to move in September 2021.

Safety work is planned for 2022 and future expansion is possible, with the construction of a second wing. The English Province contributed 50,840.00 towards the cost of this building project.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Marie Balavenne Catholic College, Ilogbo, Nigeria (continued)



Rule of Life

‘Our fellowship in the congregation is expressed essentially by our living out that fellowship in community and in the help communities give one another.’

RISK MANAGEMENT

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the Charity should those risks materialise.

The key risks identified include the age profile of the sisters and the need to ensure that charity has sufficient resources to continue to care for them and their needs. This is mitigated through the existence of the retirement fund represented by the charity's investments. Listed investments are subject to stock market movements – both up and down. The risk is mitigated by the fact that the charity uses professional managers and monitors performance regularly. Donations sent overseas are made by bank transfer and reports are always obtained confirming receipt and use of the funds.

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 by the charity, they have established effective systems to mitigate those risks.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

FUNDRAISING POLICY

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

FINANCIAL REVIEW

A summary of the results for the year ended 31 December 2022 can be found on page 16 of this report and accounts.

Total income for the year was £1.23m (2021: £963.0k plus £18.18m in respect of the transfer of assets from the Charitable Trust). It included investment income of £345.7k (2021: £342.1k) and voluntary income of £630.3k (2021: £620.9k), as well as gains on foreign exchange of £3.4k (2021: £nil) and a net surplus on the disposal of tangible fixed assets of £24.8k (2021: £nil). Voluntary income includes the salaries and pensions of members of the Congregation donated to the charity under Deed of Covenant or Gift Aid.

Expenditure for the year to 31 December 2022 amounted to £1.05m (2021: £1.12m). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

Net income before investment losses for the year amounted to £177.3k (2021: £18.02m including the transfer from the Charitable Trust but before investment gains). Investment losses amounted to £1.72m (2021: gains of £1.46m). The overall result was a net decrease in funds of £1.54m (2021: net increase in funds of £19.48m).

INVESTMENT POLICY

The charity has a discretionary investment management agreement with Charles Stanley & Co Limited. 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 excluding investment in any company which has significant business interests in activities which are contrary to the teachings of the Christian Church

INVESTMENT PERFORMANCE

The trustees meet with the fund managers once every four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the charity. The target set for the fund manager is to achieve a certain return of both income and capital growth with no more than a moderate level of risk, within the ethical guidelines set out by the Trustees.

In the year they suffered a total loss of around -10.3% (2021: generated a return of +15.1%). This was broadly in line with the returns shown by published benchmarks for the performance of charity portfolios in the year. The trustees are therefore satisfied with the returns generated, but will continue to monitor investment performance closely.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

RESERVES POLICY

The charity requires investment in tangible fixed assets to enable it to continue its charitable work. A fund of £1.65m (2021: £1.31m) has been designated to reflect the amount of reserves represented by tangible fixed assets.

The charity also has an ongoing commitment to provide for the retirement and old age of Sisters, none of whom have resources of their own. The funds set aside for this purpose have been assessed and the calculations, based on annuity tables, indicated that a fund of approximately £10.9m is needed. At the end of the year, the Fund designated for this purpose was £10.9m (2021: £10.9m).

Undesignated Funds stood at just under £5.4m, which is broadly equivalent to five years' expenditure, and is thus above the target range of approximately two years' expenditure. However, the investment losses suffered in the year, highlight the transitory nature of some asset values in the current volatile macro-economic and geopolitical climate. Given the uncertainty arising from this volatility, the trustees consider the level of the charity's reserves to be adequate but not excessive at the present time.

FUTURE PLANS

- ◆ To enable all members of the Congregation to continue with their individual ministries for as long as possible. In some communities it is now necessary to install adaptations in order to aid and improve the quality of life of the sisters, thus allowing them to remain and work in their local parishes.
- ◆ To continue to provide ongoing care for our sick and elderly sisters in third-party owned care homes following the closure of our own care facility in Olney in March 2021.
- ◆ To continue to contribute financially to the upkeep and mission of the communities in Africa, Latin America, and to the functioning of the Generalate in France.
- ◆ To provide opportunities for on-going formation for our sisters at all stages of life including exchanges from other units of the Congregation. (General Chapter 2008).

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees of the Charity are required to prepare for each financial year accounts 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 those financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the on-going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity and to enable them to ensure that the financial statements comply with statutory requirements and with the Constitution registered 23 April 2020. 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.

The Trustees are responsible for the maintenance and integrity of the charity and finance information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Trustees on 3rd October 2023 and signed as authorised on their behalf by:

Sister Eileen Gorman
Provincial Bursar
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DAUGHTERS OF THE HOLY SPIRIT CIO

Opinion

We have audited the accounts of Daughters of the Holy Spirit CIO (the 'charity') for the year to 31 December 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its income and expenditure for the 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.

Matters on which we are required to report by exception

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

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient and proper 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

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

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

- ◆ Making enquiries of management and representatives from the trustees 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 on 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF DAUGHTERS OF THE HOLY SPIRIT CIO
(continued)**

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

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 us as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

13 October 2023

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

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 Total £	2021 Total £
INCOME from:			
Donations and legacies	1	630,341	620,863
Investment income and interest receivable	2	345,670	342,137
Other Income			
Gain on translation of foreign currencies		3,463	-
Surplus on disposal of tangible fixed assets	3	247,818	-
Total income before transfers from predecessor charity		<u>1,227,292</u>	<u>963,000</u>
Transfer of assets from English Province of the Daughters of the Holy Ghost (Registered Charity Number 234520)	21	-	18,180,320
Total income		<u>1,227,292</u>	<u>19,143,320</u>
EXPENDITURE on			
Cost of raising funds			
Investment management fees		71,519	75,914
Charitable expenditure			
Costs of charitable activities	4	978,460	1,045,967
Total expenditure		<u>1,049,979</u>	<u>1,121,881</u>
Net income before (losses)/gains on investments		177,313	18,021,439
Net (losses)/gains on investments		<u>(1,717,576)</u>	<u>1,455,680</u>
Net (expenditure)/income and net movement in funds for the year	6	(1,540,263)	19,477,119
Reconciliation of funds			
Fund balances brought forward		19,477,119	-
Fund balances carried forward		<u><u>£17,936,856</u></u>	<u><u>£19,477,119</u></u>

All of the above activities derived from continuing activities. The statement of financial activities includes all gains and losses recognised in the year.

All of the above income and expenditure related to unrestricted funds in the above year.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		1,645,296		1,306,131
Investments	11		11,511,329		13,293,795
			<u>13,156,625</u>		<u>14,599,926</u>
CURRENT ASSETS					
Debtors	12	86,125		290,586	
Cash at bank and in hand		4,728,619		4,625,950	
		<u>4,814,744</u>		<u>4,916,536</u>	
CREDITORS: Amounts falling due within one year	13	(34,513)		(39,343)	
		<u>(34,513)</u>		<u>(39,343)</u>	
NET CURRENT ASSETS			4,780,231		4,877,193
TOTAL NET ASSETS			<u>£17,936,856</u>		<u>£19,477,119</u>
Represented by:					
General fund			5,391,560		7,270,988
Designated funds	14		10,900,000		10,900,000
Tangible fixed assets fund	15		1,645,296		1,306,131
			<u>£17,936,856</u>		<u>£19,477,119</u>

Approved by the trustees and signed on their behalf by:

Approved by the Council of Trustees on 3rd October 2023 and signed on its behalf by

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(148,573)	(710,726)
Cash flows from investing activities		
Dividends and interest from investments	345,670	342,137
Payments to acquire tangible fixed assets	(492,375)	-
Receipts from sales of tangible fixed assets	333,057	-
Payments to acquire investments	(716,365)	(1,553,304)
Receipts from sales of investments	781,255	1,640,040
Net cash provided by investing activities	251,242	428,873
Change in cash and cash equivalents in year	102,669	(281,853)
Cash and cash equivalents at 1 January 2022	4,625,950	-
Cash transferred from English Province of the Daughters of the Holy Ghost (registered charity number 234520)	-	4,907,803
Cash and cash equivalents at 31 December 2022	£4,728,619	£4,625,950
	£	£

Notes to the Cash Flow Statement

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

Net movement in funds (as per the Statement of Financial Activities)	(1,540,263)	19,477,119
Adjustments for:		
Transfer from Charitable Trust	-	(18,180,320)
Losses/(gains) on investments	1,717,576	(1,455,680)
Dividends and interest from investments	(345,670)	(342,137)
Depreciation	67,971	62,027
Net (surplus)/deficit on disposal of tangible fixed assets	(247,818)	3
Decrease/(increase) in debtors	204,461	(249,886)
Decrease in creditors	(4,830)	(21,852)
Net cash used in operating activities	£(148,573)	£(710,726)

B. Analysis of cash and cash equivalents

Cash at bank and in hand	4,728,619	4,625,950
Total cash and cash equivalents	£4,728,619	£4,625,950

C. Analysis of changes in net debt i.e. cash funds

At 1	Cashflow	At 31 December
January 2022	£	2022
£	£	£
£4,625,950	£102,669	£4,728,619

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2022.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (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 key areas in the accounts where these judgements and estimates have been made relate to estimating the useful economic life of tangible fixed assets for the purpose of determining an annual depreciation charge and determining the amount to be set aside as a designated fund to provide for the retirement and care of the Sisters.

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 31 December 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

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 and other income including gains on the translation of foreign currencies and 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.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2022

Income recognition (continued)

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.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds due under the contract for sale and the net book value of the relevant asset prior to disposal less those direct costs, including legal fees, incurred in connection with the disposal. The surplus is accounted for at the time of legal completion.

Expenditure recognition

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

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

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

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

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

Support costs and governance costs are apportioned on the basis of estimated use.

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 properties are included at cost with the exception of those which were owned at 31 December 1996 and for which cost figures were not available when the accounting requirements of the Charities Act came into force. These have been included at a Trustees' valuation determined as at that date and this is now the deemed cost of such assets. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.

◆ **Leasehold land and buildings**

Leasehold properties are included at cost. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.

◆ **Fixtures, fittings and office equipment**

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a four-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

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.

The Charity has established a pension scheme for certain Sisters. The scheme is a Deferred Annuity Contract whereby a certain guaranteed sum is payable to the charity at a fixed future date. No current value can be attributed to the contract as future returns are dependent on bonuses which in turn depend on investment return and inflation.

The asset included in the balance sheet in respect to this scheme is therefore valued on the basis of premiums paid to date in respect to Sisters still in the scheme. Receipts on maturity are recognised as investment gains net of the relevant premiums paid and the annual premiums are included as additions to the Deferred Annuity Contract.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2022

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

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

Services provided by members of the Congregation

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

Foreign currencies

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

Pension contributions

Contributions in respect of the Charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The Charity's contributions are restricted to the contributions due for the year. There were no outstanding contributions at the year end. The Charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. DONATIONS AND LEGACIES	2022	2021
	Total	Total
	£	£
Sisters' salaries and pensions donated	595,840	574,335
Other donations	34,501	46,528
	<hr/>	<hr/>
	£630,341	£620,863
	<hr/> <hr/>	<hr/> <hr/>
2. INVESTMENT INCOME AND INTEREST RECEIVABLE	2022	2021
	Total	Total
	£	£
Bank interest	6,160	375
Income from listed investments	339,510	341,762
	<hr/>	<hr/>
	£345,670	£342,137
	<hr/> <hr/>	<hr/> <hr/>
3. SURPLUS ON DISPOSAL OF TANGIBLE FIXED ASSETS	2022	2021
	Total	Total
	£	£
Property		
Proceeds net of disposal costs	331,357	-
Net book value	(74,452)	-
	<hr/>	<hr/>
	256,905	-
Other		
Proceeds net of disposal costs	1,700	-
Net book value	(10,787)	-
	<hr/>	<hr/>
	(9,087)	-
	<hr/>	<hr/>
	£247,818	£-
	<hr/> <hr/>	<hr/> <hr/>
4. CHARITABLE EXPENDITURE	2022	2021
	Total	Total
	£	£
Support of members of the Congregation and their ministry		
Sisters' living Expenses	556,068	523,411
Staff costs	43,663	141,007
Premises	223,438	217,342
Education, training & spiritual renewal	30,402	30,534
Administration	50,975	45,482
Loss on currency conversion	-	4,830
Overseas mission	59,578	57,165
Other	56	2,796
Governance costs (note 5)	14,280	23,400
	<hr/>	<hr/>
	£978,460	£1,045,967
	<hr/> <hr/>	<hr/> <hr/>

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CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

5. GOVERNANCE COSTS

	2022 Total £	2021 Total £
Auditor's remuneration		
Current year	9,600	12,310
Prior year over-provision	(3,240)	-
	<hr/> 6,360	<hr/> 12,310
Other legal and professional fees	7,920	11,090
	<hr/> £14,280	<hr/> £23,400
	<hr/> <hr/>	<hr/> <hr/>

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

	2022 £	2021 £
This is stated after charging/(crediting):		
Staff costs (see note 7)	43,663	141,007
Auditor's remuneration (including VAT)	6,360	12,310
Depreciation	67,971	62,027
(Gains)/losses on currency conversion	(3,463)	4,830
(Surplus)/deficit on disposal of tangible fixed assets	(247,818)	3
	<hr/> <hr/>	<hr/> <hr/>

7. STAFF COSTS

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	41,093	105,598
Social security costs	-	3,512
Other pension costs	474	1,265
	<hr/> 41,567	<hr/> 110,375
Statutory redundancy pay	2,096	30,632
	<hr/> £43,663	<hr/> £141,007
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees (analysed by function) was:

	2022	2021
Support of members of the Congregation and their ministry	5	9
	<hr/> <hr/>	<hr/> <hr/>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) during the year

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

8. KEY MANAGEMENT, TRUSTEES' EXPENSES & 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 Trustees.

As members of the Congregation, none of the Trustees have resources of their own. As well as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total donated by the trustees was £91,718 (2021: £88,920).

9. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. TANGIBLE FIXED ASSETS	Residential Properties Freehold	Residential Properties Leasehold*	Fixtures and Equipment	Motor Vehicles	Total
	£	£	£	£	£
COST OR VALUATION					
At 1 January 2022	2,427,134	-	88,814	111,532	2,627,480
Additions	191,609	279,766	-	21,000	492,375
Disposals	(145,481)	-	(69,135)	(11,170)	(225,786)
At 31 December 2022	2,473,262	279,766	19,679	121,362	2,894,069
DEPRECIATION					
At 1 January 2022	1,145,464	-	74,345	101,540	1,321,349
Charge for the year	49,465	5,596	2,105	10,805	67,971
Disposals	(71,029)	-	(60,984)	(8,534)	(140,547)
At 31 December 2022	1,123,900	5,596	15,466	103,811	1,248,773
NET BOOK VALUE					
At 31 December 2022	<u>£1,349,362</u>	<u>£274,170</u>	<u>£4,213</u>	<u>£17,551</u>	<u>£1,645,296</u>
At 31 December 2021	<u>£1,281,670</u>	<u>£-</u>	<u>£14,469</u>	<u>£9,992</u>	<u>£1,306,131</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

11. INVESTMENTS	2022 Total £	2021 Total £
Value at 1 January 2022	13,293,795	-
Transfer of Assets from English Province of the Daughters of the Holy Ghost (Registered Charity Number 234520) (note 21)	-	11,924,851
Less: Disposals (at opening market value; proceeds – £781,255; realised losses – £151,495)	(932,750)	(1,511,378)
Add: Acquisitions	716,365	1,553,304
Net gains/(losses) on revaluation	(1,566,081)	1,327,018
	<u>£11,511,329</u>	<u>£13,293,795</u>
<i>At Market Value:</i>		
Listed on UK Stock Exchange	11,006,645	12,888,772
Bank deposits	483,318	384,362
	<u>11,489,963</u>	<u>13,273,134</u>
<i>At Cost:</i>		
Deferred annuity contracts	21,366	20,661
	<u>£11,511,329</u>	<u>£13,293,795</u>
<i>Cost of Investments:</i>		
At 31 December 2022	<u>£8,845,568</u>	<u>£8,661,300</u>

All investments other than cash and deferred annuity contracts are quoted on a recognised UK Stock Exchange and or valued by reference to investments listed on a recognised Stock Exchange.

12. DEBTORS	2022 £	2021 £
Monies held by solicitors pending property purchase	8,630	215,000
Prepayments	77,495	75,586
	<u>£86,125</u>	<u>£290,586</u>
13. CREDITORS: Amounts falling due within one year	2022 £	2021 £
Accruals	<u>£34,513</u>	<u>£39,343</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

14. DESIGNATED FUNDS

The trustees have designated funds out of the unrestricted funds for specific purposes as follows:-

Retirement Fund	2022	2021
	£	£
At 1 January 2022	10,900,000	-
Transfer of assets from the English Province of the Daughters of the Holy Ghost (Registered Charity Number 234520) (note 21)	-	11,900,000
Transfers	-	(1,000,000)
	<u>£10,900,000</u>	<u>£10,900,000</u>
Balances at 31 December 2022	<u>£10,900,000</u>	<u>£10,900,000</u>

Retirement Fund

A fund has been designated for the Charity's commitment to provide for the retirement and care in old age of its members.

The Trustees have estimated that a fund of at least £8.9m will be required to make provision for the ongoing needs of members after taking account of their occupational pension rights. The Trustees have designated an investment portfolio and the deferred annuity contracts pension scheme established for certain sisters.

15. TANGIBLE FIXED ASSETS FUND

	2022	2021
	£	£
At 1 January 2022	1,306,131	-
Transfer of assets from the English Province of the Daughters of the Holy Ghost (Registered Charity Number 234520) (note 21)	-	1,368,161
Movements in year	339,165	(62,030)
	<u>£1,645,296</u>	<u>£1,306,131</u>
Balances at 31 December 2022	<u>£1,645,296</u>	<u>£1,306,131</u>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

16. ANALYSIS OF NET ASSETS

Fund balances at 31 December 2022 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	£	£	£	£
Tangible fixed assets	-	-	1,645,296	1,645,296
Investments	4,148,074	7,363,255	-	11,511,329
Current assets	1,277,999	3,536,745	-	4,814,744
Current liabilities	(34,513)	-	-	(34,513)
Total Net Assets	<u>£5,391,560</u>	<u>£10,900,000</u>	<u>£1,645,296</u>	<u>£17,936,856</u>

Fund balances at 31 December 2021 were represented by:

	Designated Funds			
	General Fund	Retirement Fund	Tangible Fixed Assets Fund	Total
	£	£	£	£
Tangible fixed assets	-	-	1,306,131	1,306,131
Investments	4,820,879	8,472,916	-	13,293,795
Current assets	2,489,452	2,427,084	-	4,916,536
Current liabilities	(39,343)	-	-	(39,343)
Total Net Assets	<u>£7,270,988</u>	<u>£10,900,000</u>	<u>£1,306,131</u>	<u>£19,477,119</u>

The total unrealised gains constitute movements on revaluation and are as follows:

	2022	2021
	£	£
Unrealised gains included above		
On investments	<u>£2,665,761</u>	<u>£4,632,495</u>
Reconciliation of movement of unrealised gains		
Unrealised gains at 1 January 2022	4,632,495	-
Transfer of assets from the English Province of the Daughters of the Holy Ghost (Registered Charity Number 234520) (note 21)	-	3,763,147
In respect to disposals in the year	(400,653)	(457,670)
Net unrealised (losses) gains arising on revaluation in the year	(1,566,081)	1,327,018
Total unrealised gains at 31 December 2022	<u>£2,665,761</u>	<u>£4,632,495</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

17. ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Congregation of the Daughters of the Holy Ghost by virtue of the fact that the Sister Provincial of the Province appoints the trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Assets and liabilities of the English Province are vested in the trustees of the charity, who undertake all transactions entered into the course of the Province's charitable activities.

18. LIABILITY OF MEMBERS

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.

19. CAPITAL COMMITMENTS

	2022	2021
	£	£
Authorised but not contracted for	£580,000	£-

The above commitment relates to the purchase of a property in Lucan, Dublin.

20. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year ended 31 December 2022 or the year ended 31 December 2021 other than the transactions between the charity and its trustees disclosed in note 8.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

21. TRANSFER OF ACTIVITIES, ASSETS AND LIABILITIES

The Congregation of the Daughters of the Holy Spirit CIO, a Charitable Incorporated Organisation (CIO) (the charity), was registered as a charity on 23 April 2020. The trustees of the charity were also trustees of the English Province of the Daughters of the Holy Ghost (Registered Charity Number 234520) (the Charitable Trust). With effect from midnight on 31 December 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:

	£	£
Fixed Assets at net book value		
Cost	2,644,465	
Depreciation	(1,276,304)	
	<u> </u>	1,368,161
Investments at market value		11,533,630
Debtors and prepayments		40,700
Portfolio bank accounts	371,265	
Deferred annuity contracts	19,956	
Cash at bank and in hand	4,907,803	
	<u> </u>	5,299,024
Cash at bank and in hand		5,299,024
Creditors		(61,195)
		<u> </u>
		£18,180,320
		<u> </u>
The net assets were represented by		
Unrestricted Funds		
- General Fund	4,912,159	
- Designated Funds	11,900,000	
- Tangible Fixed Assets Fund	1,368,161	
	<u> </u>	18,180,320
		<u> </u>
		£18,180,320
		<u> </u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

England & Wales - Charity number 1189174

Accounts

**CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(Registered Charity Number: 1189174)**

REPORT AND ACCOUNTS

31 DECEMBER 2021

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER **1189174**

CONSTITUTION

The Charity is governed by a Charitable Incorporated Organisation constitution registered with the Charity Commission on 23 April 2020

TRUSTEES OF THE CHARITY

Sister Anne Morris	Provincial Superior and trustee
Sister Margaret Abbott	Provincial Councillor and trustee
Sister Dympna Connolly	Provincial Councillor and trustee
Sister Eileen Gorman	Provincial Bursar and trustee

PRINCIPAL ADDRESS

Provincial House
103 Harlestone Road
NORTHAMPTON
NN5 7AQ

BANKERS

Barclays Bank plc
PO Box 3261
Ashton House
497 Silbury Boulevard
MILTON KEYNES
BX3 2BB

SOLICITORS

Pothecary Witham Weld
70 St George's Square
LONDON
SW13RD

AUDITORS

Buzzacott
130 Wood Street
LONDON
EC2V 6DL

INVESTMENT ADVISORS

Charles Stanley & Co Limited
55 Bishopsgate
LONDON
EC2N 3AS

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are pleased to present their report for the year ended 31 December 2021.

The charity (Registered Charity Number: 1189174) became active at midnight on 31 December 2020, when all the assets, liabilities, commitments and activities of the predecessor charitable trust (The English Province of the Congregation of the Daughters of the Holy Ghost – Registered Charity Number: 234520) were transferred to the CIO. Details of the transfer are set out in note 16 of the financial statements.

The Congregation of the Daughters of the Holy Spirit (The Congregation) is an International Roman Catholic Religious Congregation with communities in England, Wales, Ireland, France, Nigeria, Cameroon, Burkina Faso, Chile, Peru and the U.S.A. It was founded in Brittany in 1706 where the Generalate is located. For administrative purposes it is divided into 3 provinces and 3 vice-provinces and one delegation, it is governed by its own constitution.

OBJECTS OF THE CHARITY

The object of the CIO is such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Province as the Trustees with the approval of the Provincial Superior shall from time to time think fit. If the province shall cease to exist or shall cease to carry on any charitable work then the assets may be applied for such lawful charitable purposes which advance the religious and charitable work for the time being carried on by or under the direction of the Congregation.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Province is administered by the Provincial Superior, her Councillors, and the Provincial Bursar who are appointed by the General Council. The Provincial visits each community at least once every 12 months.

The General Chapter of the Congregation, which is held every six years, took place in July/August 2021. Between Chapters, Province meetings are held on an annual basis to review the past year and to set objectives for the following year. This year, due to Covid, the meetings of the sisters in the Province have taken place by zoom.

The trustees of the charity are the members of the Provincial Council together with the Provincial Bursar. As all the trustees are members of the Congregation, they have a detailed knowledge of the work of the charity and of its structure. They meet on a monthly basis to review developments with regard to the charity and make important decisions. When necessary, they seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors, accountants and insurance brokers. Regular financial reviews are carried out. The structure of the Congregation and its Council militates against dominance by any one individual. There is regular contact with the Generalate and the General Bursar, and the accounts are sent to them on an annual basis.

Training has taken place. The trustees have followed zoom meetings covering areas related to their positions as trustees. of the charity. e.g., safeguarding. Two trustees also attended the Association of Provincial Bursars Meeting – various firms / speakers provided input on a variety of topics such as the role of the bursar.

Key management

The Trustees consider that the key management of the Charity consists of themselves and, in particular, the Province Leader and Provincial Bursar to whom much of the running of the day -to- day operation devolves. As religious sisters, under a vow of poverty, the Trustees do not receive remuneration.

IN ORDER TO REALISE OUR OBJECTIVES

1. We maintain 10 religious' communities. The Sisters work in 10 parishes where, according to their age, capacities and training, they serve the local Catholic and Civic Community professionally or on a voluntary basis.
2. Sisters work in spiritual formation, health and pastoral work, centres for the homeless and disadvantaged.
3. We provide for the needs of our sick and elderly sisters wherever they may be.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Rule of Life Ch1. 'Our communities are called to be 'houses of charity', places of freedom in the Spirit, of fraternal love for each other and for all'.

In this report we have given examples of some of the various ministries carried out by the sisters (The Daughters of the Holy Spirit) - ministries undertaken in order to: **fulfil the objectives of the Charity to serve the poor / the sick / and the deprived.** The charity aims to support the sisters and the charitable works carried out by them, also to care for the sisters throughout their lives.

We are committed to providing:

SPIRITUAL SUPPORT – Community and individual prayer are a very important dimension of the sisters' lives; it benefits the members of the public as their needs are prayed for and remembered. Lay people are invited to join our communities in prayer, especially during Advent and Lent. Due to the coronavirus pandemic, we were unable to invite people to join us in prayer or be responsible for leading local prayer groups, such as Mothers Prayers, Bereavement Prayer Group or Bible Time Line.

LIVERPOOL – PARISH SUPPORT

Our Provincial received the following letter from the Parish Priest of St. Bartholomew's Parish, Rainhill in the Archdiocese of Liverpool.

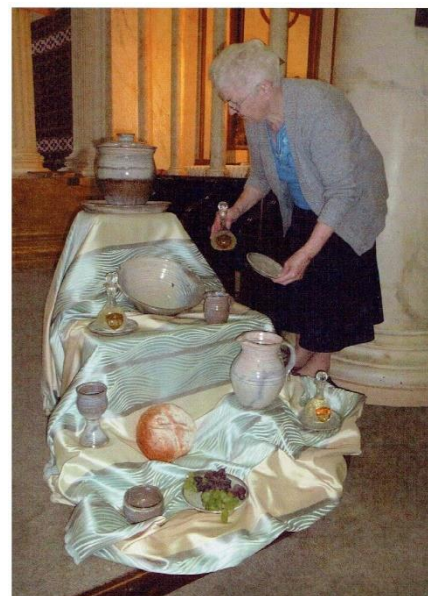
Dear Sister

I write to express my sincere thanks for allowing a community of your sisters to live and work in St. Bartholomew's Parish. Sister Elizabeth is our Parish Sister. She takes part in all our parish liturgies, and visits the sick and housebound. Sister meets the people in the shops and on the roads- they stop and talk with her. Informing her of parishioners who are ill or have become housebound and would like a visit.

Your Rule of Life states:

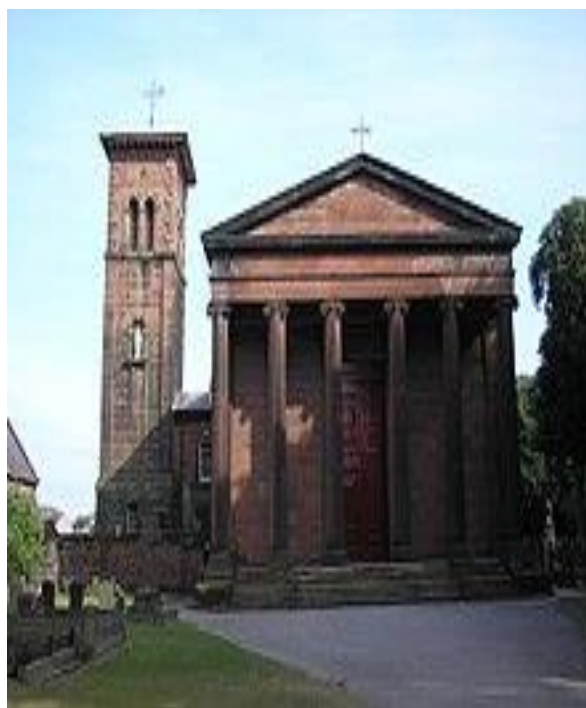
'Our involvement in mission is often expressed through simple human gestures, apparently without significance.'

Pope Francis in Gaudet et Exsultate says " Often discernment is exercised in small and apparently irrelevant things, since greatness of spirit is manifested in simple everyday realities. It involves striving for all that is great, better and more beautiful, while at the same time being concerned for the little things, for each day's responsibilities and commitments. "



Arranging the Church display on Maundy Thursday.

ST BARTHOLOMEW'S CHURCH



Sister Elizabeth fulfils this mission. She does a great deal of 'church' work that is not seen, but if it was not done it would be noticed.

I wish you every blessing and hope that you will always feel welcome to visit Rainhill and see the part the sisters have played in the future of this Church and Parish.

Fr. Swanson (Parish Priest)

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

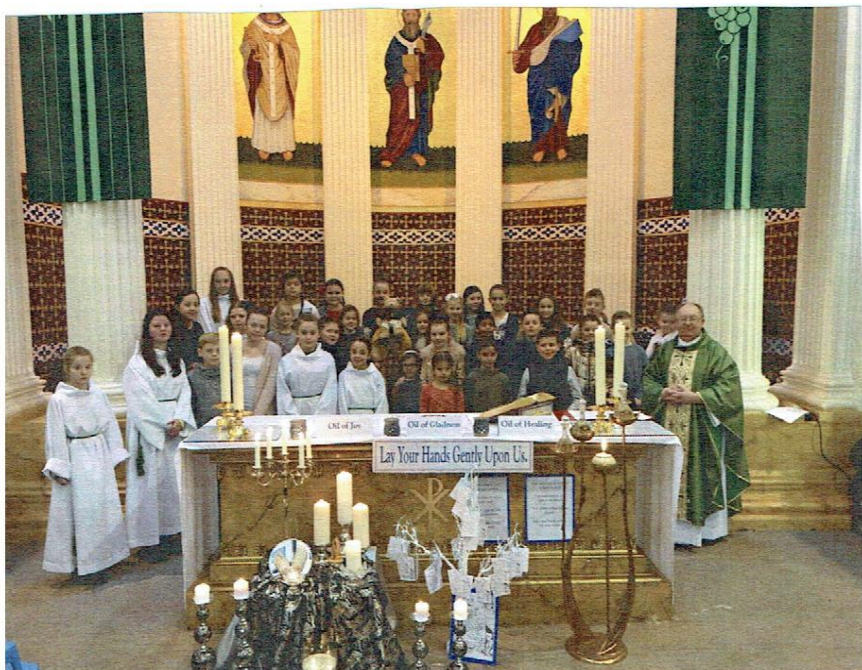
TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

St Bartholomew's Church was built in 1838 – 40 by Bartholomew Bretherton. He was the owner of the family coaching business and main landowner in Rainhill, Liverpool.

INSIDE ST BARTHOLOMEWS CHURCH – monthly Mass for the Children.

Sister Elizabeth helps to set up the displays in front of the altar.



CAFOD

She works with the Parish CAFOD group (Catholic Agency for Overseas Development) working to alleviate poverty and suffering in the Developing World.



very involved in our CAFOD group since she arrived in the Parish. Each year we have our Annual CAFOD coffee evening. Sister reminds the parishioners about this event, and on the evening itself helps things to run smoothly. We hold Ecumenical Coffee Mornings at other churches in Rainhill where we sell Fair Trade produce. Sister Elizabeth's thoughtful support at our different events, is valued by all who are involved with CAFOD. Eamon O'Neill Chairman

VOLUNTARY WORK IN ABERGAVENNY, WALES.

Sister Josephine writes: When I retired from teaching, I chose to do voluntary work with patients in our local hospital. I was given a hospital badge to facilitate my work and identity. I visit the patients every week, and when they leave Neville Hall Hospital, I continue to visit them in their own homes, if they would like me to do so.



On the 4 June 2015, I was awarded a Voluntary Award called a Long Service Award (10 years) with the Neville Hall Hospital Chaplaincy Scheme awarded by the Aneurin Bevan University Health Board Volunteering Awards, in recognition of the service I have given. A large group of volunteers also received awards.

It is a privilege to carry out this work visiting those who are in hospital. The smile on their face when they see me arriving, is very moving. I take communion to those who are Catholics and greet the other patients in the ward. I have now given 15 years of my retirement to this much-loved mission. I will continue this rewarding service, to those in need of a friendly visit in hospital, or in their own home, for as long as I am able.

This is in tribute to Sr. Josephine who died very suddenly in 2021.

Rule of Life Ch. 1 'We pay special attention to the underprivileged wherever we are sent.'



STREET CHURCH – NORTHAMPTON

Our Sisters in Northampton work at the Hope Centre (for the homeless) every week. They support **Street Church** (with the help of the Catholic Northampton Cathedral Parishioners) on a monthly basis. Due to the lockdown restrictions, they have not been able to continue these ministries in 2021. Street Church was started on Easter Sunday 2008, following reflection on the situation of the homeless people in Northampton and their access to the Christian faith community. Although Street Church is a Christian organisation, motivated by the love of Christ, the helpers serve and respect all, regardless of gender, status, race or religion. They aim to provide an inclusive non-judgemental service to our entire community.

It was, and is clear, that there is a community of

people who live on the streets. These people are referred to as 'homeless.' We meet these people at our door, in the church, and on the street, people who come for help, usually for food and drink, often asking for money or for other types of support.

Many of these people referred to Sunday as "suicide Sunday" because there was no provision. The Hope Centre was closed and there was very little on offer by way of help. As a result, Church leaders got together with other agencies to discuss these issues and it was agreed that we should try to do something about them. The programme set up included food, social interaction, and a variety of input. Street Church takes place every Sunday from 1.30p.m. - 3.30p.m. On average about 70 people regularly attend. They express their gratitude for what is provided for them.

Several members of the street community die from the effects of addictive substances or related illnesses. Street Church holds services for individuals who have died.

The man in the photograph was a regular visitor to Street Church. He died in his fifties from the effects of alcohol misuse.

Saint Vincent de Paul (SVP)

The members of the SVP in Northampton continue to support the homeless and others in need. In February the SVP provided five tents and four sleeping bags for some of the people who were sleeping on the streets, this was equivalent to a donation of £140.



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Whatever be our situation – whether we are engaged in active work, retired, sick or suffering, we can always live the mission that is ours as Daughters of the Holy Spirit. (Rule of Life)

ST. JOSEPH'S, OLNEY. 2021

In March 2021 the decision was taken to close our care home at St. Joseph's Convent, Olney. The Covid pandemic amplified the existing difficulties. It was impossible to staff the Unit and to keep the sisters safe.

The sisters transferred to another Care Home, Burlington Hall in Woburn Sands.

The photo on the right shows the grounds of our care unit being enjoyed by people before Covid.

The photo below shows our care unit and grounds in past years.

A local choir is singing to some of the residents who live in Olney town.



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

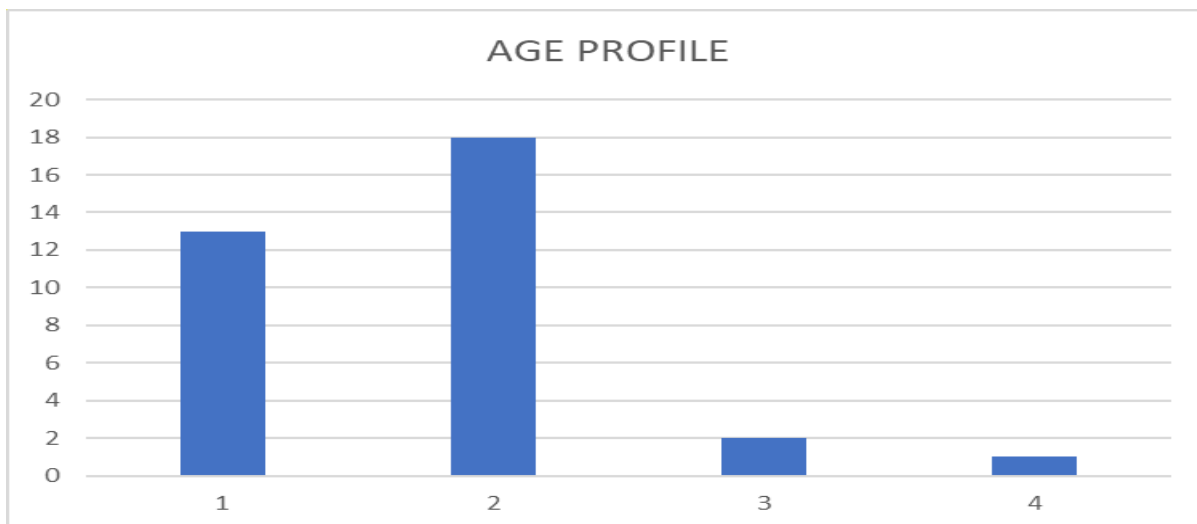
FOR THE YEAR ENDED 31 DECEMBER 2021

Details of the areas in which Sisters give voluntarily of their time, are given in the table. The sisters were unable to continue their voluntary work between January – June 2021 due to Covid restrictions.

Care of our own elderly / frail Sisters	35 hours per week approx.
Visits to housebound / sick / elderly people	47 hours per week
Visits to residential Homes	20 hours per week
Work with young Adults	2 hours per week
Teaching English to Foreign Students	10 hours per week
Working for Justice and Peace Issues	6 hours per week
Empowering Education in Africa	20 hours per week
Ecumenism / Inter– faith	21 hours per week
Working as a Parish Sister	15 hours per week
Society of St. Vincent de Paul	17 hours per week
Spiritual Formation / Spiritual Direction	44 hours per week
Chaplaincy—Hospital / Detention Centre	21 hours per month
Bereavement work with Adults / Children	5 hours per month
Work with Asylum Seekers	3 hours per week
Centres for Homeless People	11 hours per week
Work to support the needy in Rwanda	12 hours per week
Pastoral / Parish Support Worker	26 hours per week
Administration	41 hours per week

Caring for Members The age profile of the members of the Province is increasing. The age profile in England, Ireland and Wales is shown graphically below.

**Age Range 2020 1 = 13 sisters 85+. 2 = 18 sisters 75+. 3 = 2 sisters 60+. 4 = 1 sisters 40+
TOTAL NUMBER OF SISTERS 2021 = 34**



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

CAMEROON

The Baka people inhabit the south eastern rain forests of Cameroon. They are the principal hunter-gatherers of the tropical forest. The men hunt and trap using poisoned arrows and spears to great effect. Fishing is very important in Baka culture as young boys are taught to use fishing rods at an early age. In recent years deforestation of the tropical forests has greatly increased. This impacts on the Baka people as the forest is their home. The intensive deforestation is pressurizing them to settle.

Being hunter-gatherers as opposed to farmers, the Baka face trouble where education is concerned. Formal schooling for Baka children can often be difficult for them, because it does not fit in with their nomadic way of life. The Baka children may feel uncomfortable in public schools due to the physical distance they have to travel. Another problem is they are made fun of by their Bantu neighbours because of their small height.

Non-Profit efforts

In 1992 the Catholic Missionary group, Freres des Ecole's Chretiennes set up an initiative to help the Baka Children become part of the school system. They did this by building and staffing a school – the Mapala School. The FEC encouraged the Baka teachers to teach in both French and the Baka Language. This initiative helped to lessen the cultural gap between the Baka and the Bantu.

In 2013, The Daughters of the Holy Spirit built a boarding school for the Baka children, in Mbang. Cameroon.



In the photo you can see a group of Baka children outside the school. Since the school was built, we have financed a water tower and a canal for conveying the water. Previously the children had to collect all the water that was needed for washing and cooking from the river.



Financial Support

The Sisters of the English, Irish, Welsh Province of

The Daughters of the Holy Spirit sent a donation of £57,000 in 2021, to our Generalate in France.

This money was used to support the ongoing work -the completion of this school. It also provided our sisters living and working in the Cameroon with money to buy new equipment for the classrooms.

Through these projects which are undertaken by our Congregation in many areas of Africa, new bonds are woven.

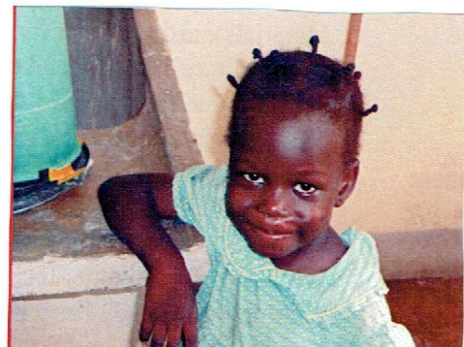
We experience the joy of reaching out to help others,

the blessing of caring for the most vulnerable,

talents placed at the service of the poor,

words of support and affirmation....

All things that value each person first and foremost. THANK YOU.



CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

RISK MANAGEMENT

The Trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the Charity should those risks materialise.

The key risks identified include the age profile of the sisters and the need to ensure that charity has sufficient resources to continue to care for them and their needs. This is mitigated through the existence of the retirement fund represented by the charity's investments. Listed investments are subject to stock market movements – both up and down. The risk is mitigated by the fact that the charity uses professional managers and monitors performance regularly. Donations sent overseas are sent by bank transfer and reports are always obtained confirming receipt and use of the funds.

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 by the charity, they have established effective systems to mitigate those risks.

FUNDRAISING POLICY

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

FINANCIAL REVIEW

A summary of the results for the year ended 31 December 2021 can be found on page 16 of this report and accounts.

Total income for the year, before the transfer of assets from the Charitable Trust amounted to £963.0k (period from 23 April to 31 December 2020: £Nil). It included investment income of £342.1k and voluntary income of 620.9k (period from 23 April to 31 December 2020: £Nil). The 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 31 December 2020 increased income by £18.18m to give total income of £19.14m (period from 23 April to 31 December 2020: £Nil).

Expenditure for the year to 31 December 2021 amounted to £1.12m (period from 23 April to 31 December 2020: £Nil). Expenditure includes the cost of supporting members of the Congregation and their ministry and donations to third parties.

Net income, after accounting for the transfer from the Charitable Trust and before investment gains for the year amounted to £18.02m (period from 23 April to 31 December 2020: £Nil). Investment gains were £1.46m (period from 23 April to 31 December 2020: £Nil). The overall result was net income of £19.48m (period from 23 April to 31 December 2020: £Nil).

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

INVESTMENT POLICY

The charity has a discretionary investment management agreement with Charles Stanley & Co Limited. 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 excluding investment in any company which has significant business interests in activities which are contrary to the teachings of the Christian Church

INVESTMENT PERFORMANCE

The Trustees meet with the fund managers once every four months and ensure that the fund is managed in accordance with their written guidelines and with the religious and ethical principles of the cCharity. The target set for the fund manager is to achieve a certain return of both income and capital growth with no more than a moderate level of risk, within the ethical guidelines set out by the Trustees.

In the year since the transfer of the investments to the CIO at midnight on 31 December 2020 they generated a total return of around 15.1% (period from 23 April to 31 December 2020: £Nil). This was slightly better than the returns shown by published benchmarks for the performance of charity portfolios in the year. The Trustees, therefore, are satisfied with the returns generated but will continue to monitor investment performance closely.

RESERVES POLICY

The charity requires investment in tangible fixed assets to enable it to continue its charitable work. A fund of £1.3m (2020: £Nil) has been designated to reflect the amount of reserves represented by tangible fixed assets.

The charity also has an ongoing commitment to provide for the retirement and old age of Sisters, none of whom have resources of their own. The funds set aside for this purpose have been assessed and the calculations, based on annuity tables, indicated that a fund of approximately £10.9m is needed. At the end of the year, the Fund designated for this purpose was £10.9m (2020: £Nil).

Undesignated Funds stood at just under £7.3m which is broadly equivalent to five to six years' expenditure and is thus above the target range of approximately two years' expenditure. However, since the year-end investment values have fallen and there is concern about both the macroeconomic climate and the geopolitical environment. The Trustees, therefore, consider the level of the charity's reserves to be adequate but not excessive at the current time.

FUTURE PLANS

- ◆ To enable all members of their Congregation to continue with their individual ministries for as long as possible. In some communities it is now necessary to install adaptations in order to aid and improve the quality of life of the sisters, thus allowing them to remain and work in their local parishes.
- ◆ To continue to provide ongoing care for our sick and elderly sisters in our convent in Olney. At the moment the demands of the care needed are increasing rapidly and we foresee that this will continue. We, therefore, have to be pro-active and respond with adequate staff / facilities / equipment etc. to meet these growing needs.
- ◆ Although much work has been undertaken on our property in Olney, there still remains a number of areas that need upgrading particularly in relation to the maintenance of the property and to the demands of health and safety regulations.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

FUTURE PLANS (continued)

- ◆ To continue to contribute financially to the upkeep and mission of the communities in Africa, Latin America, and to the functioning of the Generalate in France.
- ◆ To provide opportunities for on-going formation for our sisters at all stages of life including exchanges from other units of the Congregation. (General Chapter 2008).

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees of the Charity are required to prepare for each financial year accounts 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 those financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity and to enable them to ensure that the financial statements comply with statutory requirements and with the Constitution registered 23 April 2020. 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.

The Trustees are responsible for the maintenance and integrity of the charity and finance information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Trustees on 27 October 2022 and signed as authorised on their behalf by:

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
OF DAUGHTERS OF THE HOLY SPIRIT CIO
FOR THE YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the accounts of Daughters of the Holy Spirit CIO (the 'Charity') for the year to 31 December 2021, which comprise the statement of financial activities, the comparative statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its income and expenditure for the 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.

Matters on which we are required to report by exception

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

- ◆ the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient and proper 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 management and Trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of Trustees' meetings.

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

- ◆ Making enquiries of management and representatives from the Trustees 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 on 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.

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

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

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

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

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

We did not identify any irregularities, including fraud.

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

27 October 2022

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

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 Total £	Period from 23 April 2020 to 31 December 2020 Total £
INCOME			
Donations and legacies	1	620,863	-
Investment income and interest receivable	2	342,137	-
		<u>963,000</u>	-
Transfer of assets from English Province of the Daughters of the Holy Ghost (registered charity number 234520)	16	18,180,320	-
Total income		<u>19,143,320</u>	-
EXPENDITURE			
Cost of raising funds			
Investment management fees		75,914	-
Charitable expenditure			
Costs of charitable activities	3	1,045,967	-
Total expenditure		<u>1,121,881</u>	-
Net income before gains on investments		18,021,439	-
Net gains on investments		1,455,680	-
Net income and net movement in funds for the year	5	19,477,119	-
Reconciliation of funds			
Fund balances brought forward		-	-
Fund balances carried forward		<u><u>£19,477,119</u></u>	<u><u>£-</u></u>

The charity became active at midnight on 31 December 2020, when all the assets, liabilities, commitments and activities of the predecessor charitable trust (The English Province of the Congregation of the Daughters of the Holy Ghost – Registered Charity Number: 234520) were transferred to the CIO. All of the above activities derived from operations continuing as at 31 December 2021. The statement of financial activities includes all gains and losses recognised in the above two financial periods.

All of the above income and expenditure for the year to 31 December 2021 related to unrestricted funds.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible fixed assets	9		1,306,131				-
Investments	10		13,293,795				-
			<u>14,599,926</u>				-
CURRENT ASSETS							
Debtors	11	290,586			-		
Cash at bank and in hand		4,625,950			-		
		<u>4,916,536</u>			-		
CREDITORS: Amounts falling due within one year	12	(39,343)			-		
		<u></u>			<u></u>		
NET CURRENT ASSETS			4,877,193				-
TOTAL NET ASSETS			<u>£19,477,119</u>				<u>£-</u>
Represented by:							
General fund			7,270,988				-
Designated funds	13		10,900,000				-
Tangible fixed assets fund	14		1,306,131				-
			<u>£19,477,119</u>				<u>£-</u>

Approved by the trustees and signed on their behalf by:

Approved by the Council of Trustees on 27 October 2022 and signed on its behalf by

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	Period from 23 April 2020 to 31 December 2020
Cash flows from operating activities		
Net cash used in operating activities	(710,726)	-
Cash flows from investing activities		
Dividends and interest from investments	342,137	-
Payments to acquire investments	(1,553,304)	-
Receipts from sales of investments	1,640,040	-
Net cash provided by investing activities	428,873	-
Change in cash and cash equivalents in year	(281,853)	-
Cash and cash equivalents at 1 January 2021	-	-
Cash transferred from English Province of the Daughters of the Holy Ghost (registered charity number 234520)	4,907,803	-
Cash and cash equivalents at 31 December 2021	£4,625,950	£-
	£	£

Notes to the Cash Flow Statement

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

Net movement in funds (as per the Statement of Financial Activities)	19,477,119	-
Adjustments for		
Transfer from Charitable Trust	(18,180,320)	-
Gains on investments	(1,455,680)	-
Dividends and interest from investments	(342,137)	-
Depreciation	62,027	-
Deficit on disposal of tangible fixed assets	3	-
Increase in debtors	(249,886)	-
Decrease in creditors	(21,852)	-
Net cash used in operating activities	£(710,726)	£-

B. Analysis of cash and cash equivalents

Cash at bank and in hand	4,625,950	-
Total cash and cash equivalents	£4,625,950	£-

C. Analysis of changes in net cash funds i.e. net debt

At 1 January 2021 £	Cashflow £	Transfer from Charitable Trust £	At 31 December 2021 £
£-	£(281,853)	£4,907,803	£4,625,950

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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

Basis of preparation

These accounts have been prepared for the year to 31 December 2021 with comparative information for the period to 31 December 2020.

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

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

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

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

Critical accounting estimates and areas of judgement

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

The key areas in the accounts where these judgements and estimates have been made relate to estimating the useful economic life of tangible fixed assets for the purpose of determining an annual depreciation charge and determining the amount to be set aside as a designated fund to provide for the retirement and care of the Sisters.

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

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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 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 being transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus (or deficit) on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds due under the contract for sale and the net book value of the relevant asset prior to disposal less those direct costs, including legal fees, incurred in connection with the disposal. The surplus (or deficit) is accounted for at the time of legal completion.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

Expenditure recognition

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

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

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

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

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

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.

Support costs and governance costs are apportioned on the basis of estimated use.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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 properties are included at cost with the exception of those which were owned at 31 December 1996 and for which cost figures were not available when the accounting requirements of the Charities Act came into force. These have been included at a Trustees' valuation determined as at that date and this is now the deemed cost of such assets. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.
- ◆ Leasehold land and buildings
Leasehold properties are included at cost. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.
- ◆ Fixtures, fittings and office equipment
Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a four-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 and the attitude of investors to investment risk.

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.

The Charity has established a pension scheme for certain Sisters. The scheme is a Deferred Annuity Contract whereby a certain guaranteed sum is payable to the charity at a fixed future date. No current value can be attributed to the contract as future returns are dependent on bonuses which in turn depend on investment return and inflation.

Therefore the asset included in the balance sheet in respect to this scheme is valued on the basis of premiums paid to date in respect to Sisters still in the scheme. Receipts on maturity are recognised as investment gains net of the relevant premiums paid and the annual premiums are included as additions to the Deferred Annuity Contract.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

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.

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions due for the year. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. DONATIONS AND LEGACIES

	2021 Total £	Period from 23 April 2020 to 31 December 2020 Total £
Sisters' salaries and pensions donated	574,335	-
Other donations	46,528	-
	<u>£620,863</u>	<u>£-</u>

2. INVESTMENT INCOME AND INTEREST RECEIVABLE

	2021 Total £	Period from 23 April 2020 to 31 December 2020 Total £
Bank interest	375	-
Income from listed investments	341,762	-
	<u>£342,137</u>	<u>£-</u>

3. CHARITABLE EXPENDITURE

	2021 Total £	Period from 23 April 2020 to 31 December 2020 Total £
Support of members of the Congregation and their ministry		
Sisters' living expenses	523,411	-
Staff costs	141,007	-
Premises	217,342	-
Education, training and spiritual renewal	30,534	-
Administration	45,482	-
Loss on currency conversion	4,830	-
Overseas missions	57,165	-
Other	2,796	-
Governance costs (Note 4)	23,400	-
	<u>£1,045,967</u>	<u>£-</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

4. GOVERNANCE COSTS

	2021	Period from
	Total	23 April 2020
	£	to 31
		December
		2020
		Total
		£
Auditor's remuneration	12,310	-
Other	11,090	-
	<u>£23,400</u>	<u>£-</u>

5. NET INCOME AND NET MOVEMENT IN FUND FOR THE YEAR

	2021	Period from
	£	23 April 2020
		to 31
		December
		2020
		£
This is stated after charging:		
Staff costs (see note 6)	141,007	-
Auditor's remuneration (including VAT)	12,310	-
Depreciation	62,027	-
Deficit on disposal of tangible fixed assets	3	-
	<u>£141,007</u>	<u>£-</u>

6. STAFF COSTS

Staff costs during the year were as follows:

	2021	Period from
	£	23 April 2020
		to 31
		December
		2020
		£
Wages and salaries	105,598	-
Social security costs	3,512	-
Other pension costs	1,265	-
	<u>110,375</u>	<u>-</u>
Statutory redundancy pay	30,632	-
	<u>£141,007</u>	<u>£-</u>

The average number of employees (analysed by function) was:

	2021	2020
Support of members of the Congregation and their ministry	<u>9</u>	<u>-</u>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) during the year

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

7. KEY MANAGEMENT, TRUSTEES' EXPENSES & 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 Trustees (period to 31 December 2020 – £nil).

As members of the Congregation, none of the Trustees have resources of their own. As well as all earnings, pensions and other income have been donated to the Charity under a Gift Aid compliant Deed of Covenant. During the year, the total donated by the Trustees was £88,920 (period to 31 December 2020 - £nil).

8. TAXATION

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9. TANGIBLE FIXED ASSETS

	Residential Properties Freehold	Fixtures and Equipment	Motor Vehicles	Total
	£	£	£	£
COST OR VALUATION				
At 1 January 2021	-	-	-	-
Transfer of assets from English Province of the Daughters of the Holy Ghost (registered charity number 234520) (Note 16)	2,427,134	88,814	128,517	2,644,465
Disposals	-	-	(16,985)	(16,985)
At 31 December 2021	<u>2,427,134</u>	<u>88,814</u>	<u>111,532</u>	<u>2,627,480</u>
DEPRECIATION				
At 1 January 2021	-	-	-	-
Transfer of assets from English Province of the Daughters of the Holy Ghost (registered charity number 234520) (Note 16)	1,096,921	69,521	109,862	1,276,304
Charge for the year	48,543	4,824	8,660	62,027
Disposals	-	-	(16,982)	(16,982)
At 31 December 2021	<u>1,145,464</u>	<u>74,345</u>	<u>101,540</u>	<u>1,321,349</u>
NET BOOK VALUES				
At 31 December 2021	<u>£1,281,670</u>	<u>£14,469</u>	<u>£9,992</u>	<u>£1,306,131</u>
At 31 December 2020	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£-</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

10. INVESTMENTS	2021 Total £	2020 Total £
Value at 1 January 2021	-	-
Transfer of Assets from English Province of the Daughters of the Holy Ghost (registered charity number 234520) (Note 16)	11,924,851	-
Less: Disposals at opening market value (proceeds £1,640,040 realised gains £128,662)	(1,511,378)	-
Add: Acquisitions	1,553,304	-
Net gains on revaluation	1,327,018	-
	<u>£13,293,795</u>	<u>£-</u>
Value at 31 December 2021	<u>£13,293,795</u>	<u>£-</u>
At Market Value:		
Listed on UK Stock Exchange	12,888,772	-
Bank deposits	384,362	-
	<u>13,273,134</u>	<u>-</u>
At Cost:		
Deferred annuity contracts	20,661	-
	<u>£13,293,795</u>	<u>£-</u>
Cost of investments		
At 31 December 2021	<u>£8,661,300</u>	<u>£-</u>

All investments other than cash and deferred annuity contracts are quoted on a recognised UK Stock Exchange and or valued by reference to investments listed on a recognised Stock Exchange.

11. DEBTORS	2021 £	2020 £
Monies held by solicitors pending property purchase (note 19)	215,000	-
Prepayments	75,586	-
	<u>£290,586</u>	<u>£-</u>
12. CREDITORS: Amounts falling due within one year	2021 £	2020 £
Accruals	<u>£39,343</u>	<u>£-</u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

13. DESIGNATED FUNDS

The Trustees have designated funds out of the unrestricted funds for specific purposes as follows:-

Retirement Fund	2021	2020
	£	£
At 1 January 2021	-	-
Transfer of assets from English Province of the Daughters of the Holy Ghost (registered charity number 234520) (Note 16)	11,900,000	-
Transfers	(1,000,000)	-
	<u>£10,900,000</u>	<u>£-</u>

Retirement Fund

A fund has been designated for the Charity's commitment to provide for the retirement and care in old age of its members.

The Trustees have estimated that a fund of at least £8.9m will be required to make provision for the ongoing needs of members after taking account of their occupational pension rights. The Trustees have designated an investment portfolio and the deferred annuity contracts pension scheme established for certain sisters.

14. TANGIBLE FIXED ASSETS FUND

	2021	2020
	£	£
At 1 January 2021	-	-
Transfer of assets from English Province of the Daughters of the Holy Ghost (registered charity number 234520) (Note 16)	1,368,161	-
Movements in year	(62,030)	-
	<u>£1,306,131</u>	<u>£-</u>

The tangible fixed assets fund represents the net book value of the Charity's tangible fixed assets used for the support of the Sisters and their ministry. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the Charity, and the fund value would not be realisable easily if needed to meet future contingencies.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

15. ANALYSIS OF NET ASSETS

Fund balances at 31 December 2021 were represented by:

	Designated Funds			
	General	Retirement	Tangible	Total
	Fund	Fund	Fixed Assets	
	£	£	Fund	£
			£	
Tangible fixed assets	-	-	1,306,131	1,306,131
Investments	4,820,879	8,472,916	-	13,293,795
Current assets	2,489,452	2,427,084	-	4,916,536
Current liabilities	(39,343)	-	-	(39,343)
Total Net Assets	£7,270,988	£10,900,000	£1,306,131	£19,477,119

Fund balances at 31 December 2020 were represented by:

	Designated Funds			
	General	Retirement	Tangible	Total
	Fund	Fund	Fixed Assets	
	£	£	Fund	£
			£	
Tangible fixed assets	-	-	-	-
Investments	-	-	-	-
Current assets	-	-	-	-
Current liabilities	-	-	-	-
Total Net Assets	£ -	£ -	£ -	£ -

The total unrealised gains constitute movements on revaluation and are as follows:

	2021	2020
	£	£
Unrealised gains included above		
On investments	£4,632,495	£-
Reconciliation of movement of unrealised gains		
Unrealised gains at 1 January 2021	-	-
Transfer of assets from English Province of the Daughters of the Holy Ghost (registered charity number 234520) (Note 16)	3,763,147	-
In respect to disposals in the year	(457,670)	-
Net (losses) gains arising on revaluation in the year	1,327,018	-
Total unrealised gains at 31 December 2021	£4,632,495	£-

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

16. TRANSFER OF ACTIVITIES, ASSETS AND LIABILITIES

The Congregation of the Daughters of the Holy Spirit CIO, a Charitable Incorporated Organisation (CIO) (the charity), was registered as a charity on 23 April 2020. The trustees of the charity were also trustees of the English Province of the Daughters of the Holy Ghost (registered charity number 234520) (the Charitable Trust). With effect from midnight on 31 December 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:

	£	£
Fixed Assets at net book value		
Cost	2,644,465	
Depreciation	(1,276,304)	
	<u> </u>	1,368,161
Investments at market value		11,533,630
Debtors and prepayments		40,700
Portfolio bank accounts	371,265	
Deferred annuity contracts	19,956	
Cash at bank and in hand	4,907,803	
	<u> </u>	5,299,024
Cash at bank and in hand		5,299,024
Creditors		(61,195)
		<u> </u>
		£18,180,320
		<u> </u>
The net assets were represented by		
Unrestricted Funds		
- General Fund	4,912,159	
- Designated Funds	11,900,000	
- Tangible Fixed Assets Fund	1,368,161	
	<u> </u>	18,180,320
		<u> </u>
		£18,180,320
		<u> </u>

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

17. ULTIMATE CONTROL

The charity, which is constituted as a CIO, was controlled throughout the period by the Congregation of the Daughters of the Holy Ghost by virtue of the fact that the Sister Provincial of the Province appoints the Trustees. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right.

18. LIABILITY OF MEMBERS

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.

19. POST BALANCE SHEET EVENTS

Since the year end, the charity has purchased two properties with values of £142,250 and £137,580. On 21st September 2022, the charity sold a property for gross proceeds of £340,000.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

England & Wales - Charity number 1189174

Accounts

**CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO
(Registered Charity Number: 1189174)**

REPORT AND ACCOUNTS

31 DECEMBER 2020

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED CHARITY NUMBER **1189174**

CONSTITUTION

The Charity is governed by a Charitable Incorporated Organisation constitution registered with the Charity Commission on 23 April 2020

TRUSTEES OF THE CHARITY

(all appointed as first trustees)

Sister Anne Morris	Provincial Superior
Sister Dympna Connolly	Provincial Councillor
Sister Margaret Abbott	Provincial Councillor
Sister Eileen Gorman	Provincial Bursar

PRINCIPAL ADDRESS

Provincial House
103 Harlestone Road
NORTHAMPTON
NN5 7AQ

BANKERS

Barclays Bank plc
PO Box 3261
Ashton House
497 Silbury Boulevard
MILTON KEYNES
BX3 2BB

SOLICITORS

Pothecary Witham Weld
70 St George's Square
LONDON
SW13RD

INVESTMENT ADVISORS

Charles Stanley & Co Limited
55 Bishopsgate
LONDON
EC2N 3AS

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2020

INTRODUCTION

The Trustees are pleased to present their report for the period 23 April 2020 (the date on which the CIO was registered with the Charity Commission) to 31 December 2020.

The charity (Registered Charity Number: 1189174) became active at midnight on 31 December 2020, when all the assets, liabilities, commitments and activities of the predecessor charitable trust were transferred to the CIO. Details of the transfer are set out in note 1 of the financial statements.

The Congregation of the Daughters of the Holy Spirit CIO (The Congregation) is an International Roman Catholic Religious Congregation with communities in England, Wales, Ireland, France, Nigeria, Cameroon, Burkina Faso, Chile, Peru and the U.S.A. It was founded in Brittany in 1706 where the Generalate is located. For administrative purposes it is divided into 3 provinces and 4 vice-provinces and is governed by its own constitution

Transfer from Charitable Trust

In order to bring the Congregation's constitutional arrangements into line with latest best practice, the trustees decided to establish a Charitable Incorporated Organisation (CIO) to take over the assets and activities of the predecessor charity (The Congregation of the Daughters of the Holy Ghost) (registered charity number 234520). Whilst a charitable trust remained a perfectly legitimate vehicle through which to conduct a charity's affairs, it was felt that the time was right to make the change. The principal advantages of a CIO over a charitable trust, in the opinion of the trustees, include the fact that it is an entity with its own legal personality, which can hold assets and enter contracts in its own name, and that it provides maximum flexibility in appointing trustees and in reflecting canonical changes, such as the change to a Region.

OBJECTS OF THE CHARITY

The object of the CIO is such charitable purposes which advance the religious and other charitable work for the time being carried on by or under the direction of the Province as the Trustees with the approval of the Provincial Superior shall from time to time think fit and if the province shall cease to exist or shall cease to carry on any charitable work then for such lawful charitable purposes which advance the religious and charitable work for the time being carried on by or under the direction of the Congregation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Province is administered by the Provincial Superior, her Councillors, and the Provincial Bursar who are appointed by the General Council. The Provincial visits each community at least once every 12 months.

At the General Chapter of the Congregation, which is held every six years, the elected delegates, who number approximately 50, vote to elect the General Council. Between Chapters, Congregational meetings are held on an annual basis to review the past year and to set objectives for the following year. The General Council visit each province and vice province once during their mandate.

The trustees of the charity are the members of the Provincial Council together with the Provincial Bursar. As all the trustees are members of the Congregation, they have a detailed knowledge of the work of the charity and of its structure. They meet on a monthly basis to review developments with regard to the charity and make important decisions. When necessary, they seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors, accountants and insurance broker. Regular financial reviews are carried out. The structure of the Congregation and its Council militates against dominance by any one individual. There is regular contact with the Generalate and the General Bursar, and the accounts are sent to them on an annual basis.

Trustee training has been actively pursued—Updates given at trustees' meetings; attendance at the AGM of the Provincial Bursars (England and Ireland)

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Number of Trustees

There must be at least four Trustees and at all times the majority of the Trustees must be members of the Congregation. If the number falls below this minimum, or does not meet these criteria, the remaining Trustee or Trustees may act only to call a meeting of the Trustees to request the Provincial Superior to appoint a new Trustee.

The maximum number of Trustees is six.

First Trustees

The first Trustees are as follows and are appointed for the following terms:

Sister Anne Morris	Until the end of her term as Provincial Superior
Sister Dympna Connolly	Until the end of her term as Provincial Councillor
Sister Margaret Abbott	Until the end of her term as Provincial Councillor
Sister Eileen Gorman	Until the end of her term as Provincial Bursar

or, in each case, until they are removed by the Provincial Superior in accordance with clause 15(1)(e) of the Constitution.

Appointment of Trustees

Ex officio Trustees

The Provincial Superior for the time being shall automatically, ex-officio, be a Trustee for as long as she holds that office. If unwilling to act as a Trustee, the Provincial Superior may:

- (i) before accepting the appointment as a Trustee, give notice in writing to the Trustees of her unwillingness to act in that capacity; or
- (ii) after accepting the appointment as a Trustee, resign under the provisions contained in clause 15(1)(a) of the constitution.

The office of ex officio Trustee will then remain vacant until the Provincial Superior ceases to hold office.

The members of the Provincial Council and the Provincial Bursar for the time being shall each automatically, ex-officio, be Trustees in each case for as long as they hold that office or until removed by the Provincial Superior in accordance with the constitution.

Appointed Trustees

Apart from the first Trustees, and any ex-officio Trustees, every appointed Trustee must be appointed by a resolution in writing by the Provincial Superior. In selecting individuals for appointment as appointed Trustees, the Provincial Superior must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Information for new Trustees

The Provincial Superior will make available to each new Trustee, on or before his or her first appointment:

- (a) a copy of the current version of the Constitution; and
- (b) a copy of the CIO's latest Trustees' annual report and statement of accounts.

The Provincial Superior will keep the Trustees informed on a regular basis about developments in the Congregation that are of relevance to the CIO.

Retirement and removal Trustees

A Trustee may be removed as a Trustee by the Provincial Superior in accordance with the constitution

Reappointment of Trustees

Any person who retires as a Trustee is eligible for reappointment by the Provincial Superior save that an appointed Trustee who is not a member of the Congregation and who has served for three consecutive terms may not be reappointed for another consecutive term but may be reappointed after an interval of at least one year.

Key management

The Trustees consider that the key management of the Charity will consist of themselves and, in particular, the Province Leader and Provincial Bursar to whom much of the running of the day-to-day operation will devolve. As religious sisters, under a vow of poverty, the Trustees do not receive remuneration.

IN ORDER TO REALISE OUR OBJECTIVES

1. We maintain 11 religious communities. The sisters work in 11 parishes where, according to their age, capacities and training, they serve the local Catholic and Civic Community professionally or on a voluntary basis. We keep in mind the mission of the province and the objects of the Charity.
2. Sisters work in Education/Spiritual Formation, Health and Pastoral Work ensuring each one has the necessary training which enables her to bring to her ministry
 - Christian values
 - Attentiveness to the disadvantaged
 - Respect for the value and dignity of the individual
3. We provide for the needs of our sick and elderly sisters wherever they may be.

SPIRITUAL SUPPORT – Community and individual prayer are a very important dimension of the Sisters' lives; it benefits the members of the public as their needs are prayed for and remembered. People from the local parishes are invited to join our communities in prayer. This did not take place in 2020 due to the Coronavirus Pandemic.

CAMEROON

To improve the lives of the local people living in the area of Makabye in the Cameroons, the Daughters of the Holy Spirit in England have, provided financial help. This money has been used to transform one of their buildings into a Health Centre.

The Marie Balavenne Health Centre Makabye, Cameroon.

When the novitiate was transferred from Makabye to N'Goundere in the Cameroon, the buildings were left vacant for some time. After research and reflection, the sisters decided to transform some of the buildings into a clinic in response to the needs of the local community. In Cameroon as in many African countries, there is no National Health Service, so the local people have to pay for every consultation, test, treatment and medication. The quality of health care is not of a high standard in the local clinics, mainly due to lack of money and equipment.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2020

RISK MANAGEMENT

The Trustees undertake an annual review of the principal risks and uncertainties that the Charity faces categorising the risks between those affecting the governance and management of the Charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the Charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the Charity should those risks materialise.

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 by the Charity, they have established effective systems to mitigate those risks.

FUNDRAISING POLICY

The Charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The Charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The Charity manages its own fundraising activities and does not employ the services of professional fundraisers. The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the Charity received no complaints about its fundraising activities.

INVESTMENT POLICY

The Charity has a discretionary investment management agreement with Charles Stanley & Co Limited. 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 excluding investment in any company which has significant business interests in activities which are contrary to the teachings of the Christian Church.

FUTURE PLANS

Following the transfer of the charity's activities, assets and liabilities to a CIO, it is the intention that the charity will remain dormant for a short period before an application is made to remove it from the Central Register of Charities. The aims of its successor charity are:

- ◆ To enable all members of their Congregation to continue with their individual ministries for as long as possible. In some communities it is now necessary to install adaptations in order to aid and improve the quality of life of the sisters, thus allowing them to remain and work in their local parishes.
- ◆ To continue to provide ongoing care for our sick and elderly sisters in our convent in Olney. At the moment the demands of the care needed are increasing rapidly and we foresee that this will continue. We, therefore, have to be pro-active and respond with adequate staff / facilities / equipment etc. to meet these growing needs.
- ◆ Although much work has been undertaken on our property in Olney, there still remains a number of areas that need upgrading particularly in relation to the maintenance of the property and to the demands of health and safety regulations.
- ◆ To continue to contribute financially to the upkeep and mission of the communities in Africa, Latin America, and to the functioning of the Generalate in France.
- ◆ To provide opportunities for on-going formation for our sisters at all stages of life including exchanges from other units of the Congregation. (General Chapter 2008).

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

TRUSTEES' ANNUAL REPORT (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees of the Charity are required to prepare for each financial year accounts 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 those financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of 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 accounting standards have been followed, subject to any material departures Disclosed and explained in the financial statement
- ◆ prepare the financial statements on the on-going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity and to enable them to ensure that the financial statements comply with statutory requirements and with the Constitution registered 23 April 2020. 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.

The Trustees are responsible for the maintenance and integrity of the charity and finance information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Trustees on 20 October 2021 and signed as authorised on their behalf by:

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 31 DECEMBER 2020

The CIO did not become active until after the period-end. Therefore, no transactions fall to be recorded in the Statement of Financial Activities, in either the current or a preceding financial period.

BALANCE SHEET

AS AT 31 DECEMBER 2020

As the CIO did not receive any income or assets prior to the period-end, there were no assets or liabilities to record in its Balance Sheet as at that date.

Approved by the trustees and signed on their behalf by:

Approved by the Council of Trustees on 20 October 2021 and signed on its behalf by

EILEEN GORMAN

Sister Eileen Gorman
Provincial Bursar
Trustee

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE PERIOD ENDED 31 DECEMBER 2020

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

Basis of preparation

These accounts have been prepared for the period to 31 December 2020. As these are the first financial statements of the charity, no comparative figures are provided in respect a previous financial period.

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

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

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

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

Critical accounting estimates and areas of judgement

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

The key areas in the accounts where these judgements and estimates have been made relate to estimating the useful economic life of tangible fixed assets for the purpose of determining an annual depreciation charge and determining the amount to be set aside as a designated fund to provide for the retirement and care of the Sisters.

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 31 December 2021, 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).

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

PRINCIPAL ACCOUNTING POLICIES

FOR THE PERIOD ENDED 31 DECEMBER 2020

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 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.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

The surplus on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds due under the contract for sale and the net book value of the relevant asset prior to disposal less those direct costs, including legal fees, incurred in connection with the disposal. The surplus is accounted for at the time of legal completion.

PRINCIPAL ACCOUNTING POLICIES

FOR THE PERIOD ENDED 31 DECEMBER 2020

Expenditure recognition

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

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

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

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

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

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.

Support costs and governance costs are apportioned on the basis of estimated use.

PRINCIPAL ACCOUNTING POLICIES

FOR THE PERIOD ENDED 31 DECEMBER 2020

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 properties are included at cost with the exception of those which were owned at 31 December 1996 and for which cost figures were not available when the accounting requirements of the Charities Act came into force. These have been included at a Trustees' valuation determined as at that date and this is now the deemed cost of such assets. The value attributed to land is not depreciated but the value of the buildings element is depreciated over a fifty-year period on a straight line basis.
- ◆ Fixtures, fittings and office equipment
Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a four-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

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.

The Charity has established a pension scheme for certain Sisters. The scheme is a Deferred Annuity Contract whereby a certain guaranteed sum is payable to the charity at a fixed future date. No current value can be attributed to the contract as future returns are dependent on bonuses which in turn depend on investment return and inflation.

Therefore the asset included in the balance sheet in respect to this scheme is valued on the basis of premiums paid to date in respect to Sisters still in the scheme. Receipts on maturity are recognised as investment gains net of the relevant premiums paid and the annual premiums are included as additions to the Deferred Annuity Contract.

PRINCIPAL ACCOUNTING POLICIES

FOR THE PERIOD ENDED 31 DECEMBER 2020

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

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

Services provided by members of the Congregation

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

Foreign currencies

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

Pension contributions

Contributions in respect of the Charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The Charity's contributions are restricted to the contributions due for the year. There were no outstanding contributions at the year end. The Charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

1. AFTER-DATE TRANSFER OF ASSETS FROM CHARITABLE TRUST

With effect from midnight on 31 December 2020, in accordance with a legal transfer of undertakings, all the assets, liabilities, commitments and activities of the charitable trust (The Congregation of the Daughters of the Holy Ghost) (registered charity number 234520) were transferred to the charity.

The net assets transferred at that date comprised the following:

	£	£
Fixed Assets at net book value		
Cost	2,687,565	
Depreciation	(1,297,104)	
	<hr/>	1,390,461
Investments at market value		11,533,630
Debtors and prepayments		40,700
Portfolio bank accounts	371,265	
Deferred annuity contracts	19,956	
Cash at bank and in hand	4,907,803	
	<hr/>	5,299,024
Cash at bank and in hand		5,299,024
Creditors		(61,195)
		<hr/>
		£18,202,620
		<hr/> <hr/>
The net assets were represented by		
Unrestricted Funds		
- General Fund	4,912,159	
- Designated Funds	11,900,000	
- Tangible Fixed Assets Fund	1,390,461	
	<hr/>	18,202,620
		<hr/> <hr/>
		£18,202,620