

**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:*

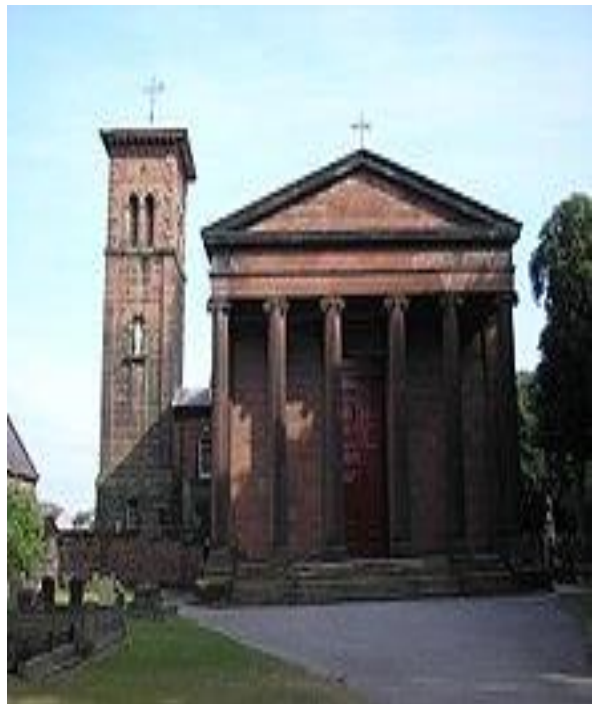
*'Our involvement in mission is often expressed through simple human gestures, apparently without significance.'*

*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



*for each day's responsibilities and commitments."*

*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

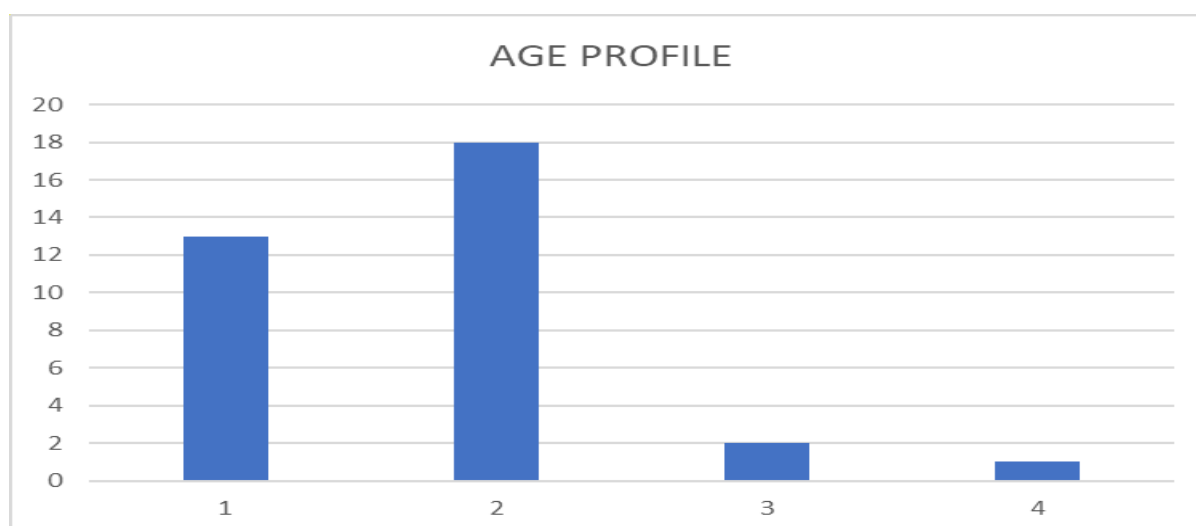
#### FOR THE YEAR ENDED 31 DECEMBER 2021

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.

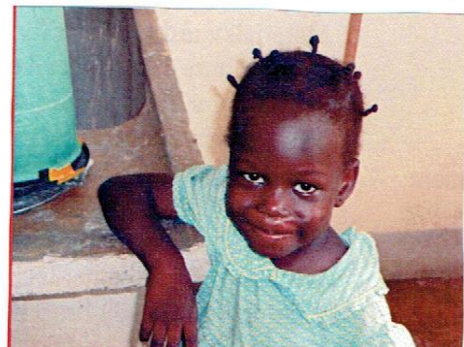
We experience the joy of reaching out to help others,

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the 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**

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

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

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**

	<b>2021</b> <b>£</b>	<b>Period from</b> <b>23 April 2020</b> <b>to 31</b> <b>December</b> <b>2020</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(710,726)	-
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	342,137	-
Payments to acquire investments	(1,553,304)	-
Receipts from sales of investments	1,640,040	-
<b>Net cash provided by investing activities</b>	428,873	-
<b>Change in cash and cash equivalents in year</b>	<b>(281,853)</b>	-
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	<b>£4,625,950</b>	<b>£-</b>
	<b>£</b>	<b>£</b>

**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**

<b>At 1</b> <b>January 2021</b> <b>£</b>	<b>Cashflow</b> <b>£</b>	<b>Transfer from</b> <b>Charitable Trust</b> <b>£</b>	<b>At 31</b> <b>December 2021</b> <b>£</b>
£-	£(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 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 (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**

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

**2. INVESTMENT INCOME AND INTEREST RECEIVABLE**

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

**3. CHARITABLE EXPENDITURE**

		<b>Period from 23 April 2020 to 31 December 2020 Total £</b>
	<b>2021 Total £</b>	
<b>Support of members of the Congregation and their ministry</b>		
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**

		<b>Period from 23 April 2020 to 31 December 2020</b>
	<b>2021 Total £</b>	<b>Total £</b>
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**

		<b>Period from 23 April 2020 to 31 December 2020</b>
	<b>2021 £</b>	<b>£</b>
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></u>	<u></u>

**6. STAFF COSTS**

Staff costs during the year were as follows:

		<b>Period from 23 April 2020 to 31 December 2020</b>
	<b>2021 £</b>	<b>£</b>
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:

	<b>2021</b>	<b>2020</b>
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
	£	£	£	£
<b>COST OR VALUATION</b>				
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	2,427,134	88,814	111,532	2,627,480
<b>DEPRECIATION</b>				
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	1,145,464	74,345	101,540	1,321,349
<b>NET BOOK VALUES</b>				
At 31 December 2021	£1,281,670	£14,469	£9,992	£1,306,131
At 31 December 2020	£-	£-	£-	£-

**CONGREGATION OF THE DAUGHTERS OF THE HOLY SPIRIT CIO**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. INVESTMENTS**

	<b>2021 Total £</b>	<b>2020 Total £</b>
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	-
	<hr/>	<hr/>
Value at 31 December 2021	£13,293,795	£-
	<hr/>	<hr/>
At Market Value:		
Listed on UK Stock Exchange	12,888,772	-
Bank deposits	384,362	-
	<hr/>	<hr/>
	13,273,134	-
At Cost:		
Deferred annuity contracts	20,661	-
	<hr/>	<hr/>
	£13,293,795	£-
	<hr/>	<hr/>
Cost of investments		
At 31 December 2021	£8,661,300	£-
	<hr/>	<hr/>

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**

	<b>2021 £</b>	<b>2020 £</b>
Monies held by solicitors pending property purchase (note 19)	215,000	-
Prepayments	75,586	-
	<hr/>	<hr/>
	£290,586	£-
	<hr/>	<hr/>

**12. CREDITORS: Amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Accruals	£39,343	£-
	<hr/>	<hr/>



# 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:-

<b>Retirement Fund</b>	<b>2021 £</b>	<b>2020 £</b>
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>
Balances at 31 December 2021	<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

	<b>2021 £</b>	<b>2020 £</b>
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>
Balances at 31 December 2021	<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:

	<b>Designated Funds</b>			
	<b>General Fund</b>	<b>Retirement Fund</b>	<b>Tangible Fixed Assets Fund</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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)
<b>Total Net Assets</b>	<b>£7,270,988</b>	<b>£10,900,000</b>	<b>£1,306,131</b>	<b>£19,477,119</b>

Fund balances at 31 December 2020 were represented by:

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

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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	-
<b>Total unrealised gains at 31 December 2021</b>	<b>£4,632,495</b>	<b>£-</b>

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

# **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 21<sup>st</sup> September 2022, the charity sold a property for gross proceeds of £340,000.